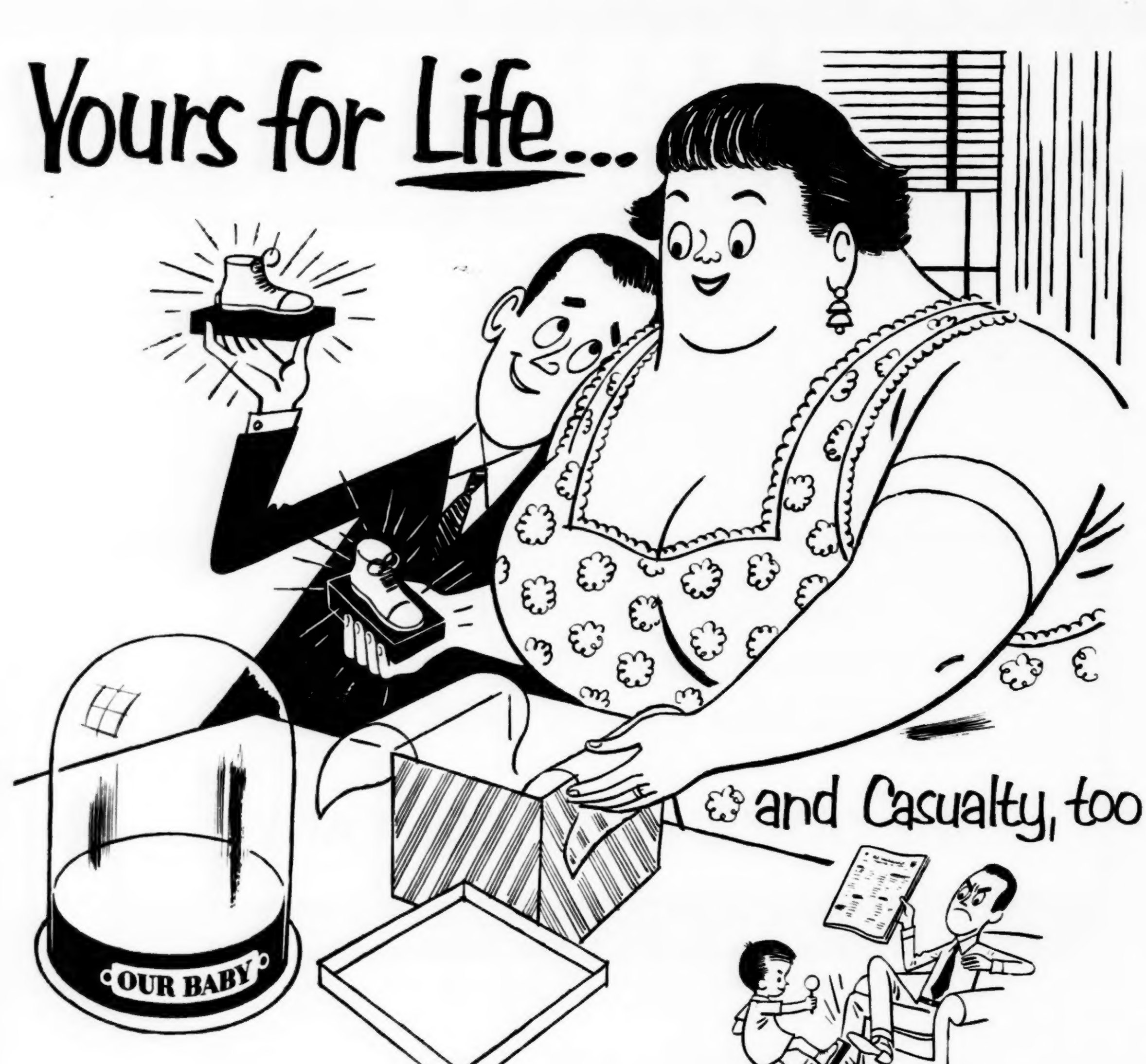
The NATIONAL UNDERWRITER

Life Insurance Edition

FRIDAY, JANUARY 15, 1954



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Contact **ROY A. FOAN,** ***Vice President and Director of Agencies***

UNION CASUALTY AND LIFE INSURANCE COMPANY

17 East Prospect Avenue, Mount Vernon, New York

THE NATIONAL UNDERWRITER Life Insurance Edition. Published weekly by the National Underwriter Company. Office of Publication, 175 W. Jackson Blvd., Chicago, Ill., U. S. A. 58th year, No. 3, Friday, January 15, 1954. $7 per year (3 years, $18); Canada, $8 per year (3 years, $21; Foreign, $8.50 per year (3 years, $22.50). 30 cents per copy. Entered as second class matter June 9, 1900, at the post office at Chicago, Ill., under the Act of March 3, 1879.

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

January 15, 1954
58th Year, No. 3

ew York Life Announces 21 New Policies, ncreases Interest Assumption to $2\frac{1}{2}$%

NEW YORK—New York Life this eek announced a new series of life surance policies involving the most tensive changes in the company's 08-year history.

In making the announcement, Chairan Devereux C. Josephs said:

"The scope of the project is believed o be without precedent in the insurnce field. It involved thousands of an-hours of study and product analsis and hundreds of thousands of lectronic calculations. It might be aid that New York Life rewrote the ook to offer a modern line of policies ailored to the country's changing, resent-day needs."

Among other things, the company ut premiums of the new policies on ½% reserve basis instead of the preious 2% basis, which means that gross remium rates for the new policies are enerally lower. However, for the benfit of the public the company made t clear that dividends are the balanfing factor and that "insurance is givn at cost to all policyowners."

New York Life previously announcd that it would pay approximately 76,600,000 for dividends to present wners of individual life insurance olicies in 1954, a record high total mount and $11 million more than the revious year.

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The company added 21 new plans f insurance protection, and extended ts maximum issue age from 65 to 70. t removed more than 70 "hereons," "hereins," "hereafters" and "hereunders" from the legal contract. The polcy itself was completely re-styled for larity and convenience and reduced rom legal to regular letter size.

The underwriters also completely evised occupational ratings and made nore than 1,000 liberalizations in these atings for life insurance. About onehird of the occupational classifications reviously rated are now eligible for tandard insurance. The method of unerwriting substandard risks was hanged from the advance in age bais to a new classification basis.

The new policies were developed fter extensive research to determine ife insurance needs in the postwar conomy. There were more than 50 baic and comprehensive studies relating specially to trends of mortality, interst earnings and expenses.

Actual work on the new series of olicies began just over a year ago nd, according to New York Life's acuaries, "the sheer volume of computations it involved could not have been ompleted without the use of the most odern electronic equipment.

A company-wide team composed of op executives, actuaries, agents from he field, underwriters, investment xperts, lawyers, economists and statisticians spent a full year on the project.

The new policies include a whole ife policy particularly designed for pecial needs and available at all ages rom 0 to 70; a new mortgage cancellation plan that protects a family for the unpaid balance of a mortgage until the debt is cancelled out; and an "estate builder" for children under which, when the child reaches age 21, the insurance increases to five times the basic amount.

Another fundamental insurance change incorporated in the New York Life policies is that they are of the ownership type. Under a unique transfer of ownership provision in these policies, the owner can readily convey his policy and all rights in it to a new owner. With this new concept the policy assumes the character of transferrable property.

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Introducing a basic product change of this magnitude to New York Life's own sales force was a task in itself, Mr. Josephs pointed out. To accomplish this, 350 top agents from all parts of the United States and Canada met this week at the Waldorf-Astoria hotel in New York City to discuss the new 1954 series of policies. Simultaneous informational meetings were held in each of the company's 151 branch offices across the country.

The new policies are designated as the A.D. 54 series, the previous series being A.D. 48, introduced in 1948.

In its announcement to the field force the company states that for the regular plans, the new annual premium rates are well in line with those of the industry—"they are no longer among the highest rates as they have been for many years in the past."

"The premiums for special plans with high minimum amounts are particularly favorable," the announcement continues. "The additional charges for premiums paid semiannually or quarterly are among the lowest in the industry. This has been made possible in part by adopting higher minimum premiums for semiannual and quarterly cases. The premiums for the waiver benefit in the new policies have been reduced and will be the same for men and women. The premiums for the double indemnity benefit have also been reduced and are among the lowest in the industry, while at the same time coverage will extend to age 70."

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As regards annuities, New York Life says that premium rates reflect the latest information on mortality and interest trends and some rates for participating annuities are actually less than the corresponding rates charged by some companies for non-par annuities.

The adoption of a higher interest basis lowers net premiums but it also lowers reserves and hence cash values. However, as a result of extensive expense analysis, cash values have been developed by New York Life so that many of the values in the early policy years are actually higher than under A.D. 48 issues.

"Furthermore," the company states, "we have been able to minimize the ef-

(CONTINUED ON PAGE 13)

Life Company Stocks Kept Climbing in '53; Trend Is Still Up

NEW YORK—Practically all active life insurance stocks showed substantial increases in their bid and asked prices last year and the increase is still continuing thus far in 1954. Prices seem to move with surprisingly little regard for what the rest of the stock market is doing. For example, on Monday the market generally was off but life stocks advanced. Travelers Monday was quoted at 893, up 48 points from its price at the end of 1953.

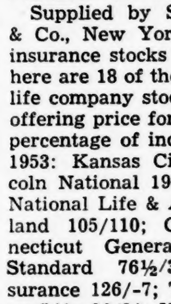
Southland Life led the parade for 1953 in percentage of increase in offering price, in fact topped insurance stocks of all classes in this respect. Southland's 105 price at the year-end was up 110% over the Dec. 31, 1952, quotation. Second in percentage of gain among life stocks for 1953 was Great Southern, with a 108% increase, Franklin Life third with 45%.

In the Feb. 5 issue The National Underwriter will print the month-end bid and asked prices for the more actively traded life company stocks. These will be a regular feature.

Supplied by Shelby Cullom Davis & Co., New York City, specialists in insurance stocks and municipal bonds, here are 18 of the most actively traded life company stocks with the year-end offering price for each followed by the percentage of increase in price during 1953: Kansas City Life 660/36; Lincoln National 194/15; Franklin 45/45; National Life & Accident 62/3; Southland 105/110; Colonial 61/20; Connecticut General 223/23; Jefferson Standard 76½/35 Continental Assurance 126/-7; Travelers 845/9; Aetna Life 96/24; Northwestern National 33/31; Gulf Life 21½ (new issue put out during 1953); Southwestern Life 82/17; Monumental 54/6; Columbian National 71/14; Life of Virginia 67½/-1; Great Southern 42/108.

While the general movement of life company stocks has been steadily upward for the last year and a half, the progress of many individual companies has been by spurts and stops. Buyers keep watch of the stock list and when a company seems to have been left behind, they jump in and start going after it. Much institutional money has gone into life insurance stocks.

Kalb to State Mutual at Kansas City as Manager



Mark L. Kalb

Mark L. Kalb has been appointed agency manager in Kansas City by State Mutual Life. He has been with Aetna Life five years, as assistant general agent in Kansas City since 1952. He is publicity chairman of Kansas City Life Underwriters Assn.

Bafflement Is Reaction to Ike's "Reinsurance" Plan

Insurance People Fear It Would Be Futile or Else Involve U.S. Supervision

Puzzlement seems to be the general reaction among insurance people to President Eisenhower's references to health insurance plans in his State of the Union message last week. There is considerable speculation over what kind of "limited government reinsurance service" for private and non-profit insurance companies in the hospitalization and medical insurance field he had in mind.

President Eisenhower will give his health program in detail to Congress on Jan. 18. Mrs. Oveta Culp Hobby, Secretary of Health, Education & Welfare, has invited representatives of American Medical Assn., A&H trade associations and other interested parties to meet in her office the morning of Jan. 18, at which time she will give them a briefing on the program.

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There have been indications that the administration favors a reinsurance plan along the lines of the Federal Deposit Insurance Corp. Insurance people point out, however, that this would offer little encouragement to insurers, whether stock, mutual, or non-profit, to "offer broader protection to more of the many families which want and should have it," in the words of the President's message.

A plan like the FDIC, which simply guarantees depositors against loss, or even one that went further and guaranteed insurers against going broke, would have little effect on broadening coverages, lowering rates, or easing underwriting. Insurers want to do better than just remain barely solvent.

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There is widespread concern among insurance people about the type of "reinsurance" that will be proposed. One well-informed observer remarked that reinsurance that is not a subsidy wouldn't accomplish anything while on the other hand, anything in the nature of a subsidy would certainly carry with it a demand for federal supervision.

The best way for the federal government to promote more widespread insurance coverage is to let the insurers alone, one insurance observer pointed out. However, that would be an unpopular concept to try to sell to the public. It would look as if the administration were running out on its campaign pledge to do something about easing the burden of catastrophic medical care costs. And it would provide a field day for the Democrats, with their compulsory national health insurance leanings.

The administration appears genuinely interested in doing something about major medical expense without pro-

(CONTINUED ON PAGE 16)

Equitable Society Reveals Major Medical, Other Policies, Revised Commission Scale

Introduction of an annual premium retirement annuity, a single premium retirement annuity, a retirement income at 70 policy, and a new major medical expense policy are featuring a package revision of premium rates and policy forms by Equitable Society.

At the same time, the interest rate on the company's AHO (assured home ownership) has been changed to 4½%, an additional optional mode of settlement has been adopted and maturing life incomes are being revised to reflect the continuing decrease in mortality rates.

In addition, the company has instituted an improved commission scale with first-year commission rates on ordinary life advanced to 55% for most issue ages.

The primary effect of the premium changes will be in gross costs, the company states. The January, 1954, dividend scale for the new policies will be lower by an amount corresponding to the reduction of premiums and, therefore, net costs to the policyholder will remain approximately at the same level.

In those states which have approved the major medical, the company will accept applications for policies to be dated and issued in 1954. It will not permit dating back of major medical policies into 1953.

In states where major medical has not yet been approved, Equitable will accept applications for in-hospital major expense policies until the major medical policy is cleared. On the other hand, in-hospital major expense policies will not be accepted except in the latter states.

Equitable's major medical program includes the $500 deductible and a $7,500 benefit limit. Benefits will be paid at the rate of 75% of cover charges in excess of the deductible following a 60-day qualifying period for one year and will continue after the expiration of that year if the claimant is still confined to a hospital at that time.

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If after expiration of the one-year period, or an extension of that period because of continued hospital confinement, additional covered charges are incurred for the same illness and the benefit limit has not been exhausted, further benefits will become payable if the additional charges exceed $500 within a subsequent 60-day period.

The new program includes a common accident provision, which states that if more than one covered person under a family policy is injured in the same accident, all covered charges will be combined in determining the 60-day period and only one deductible will be applied to the combined expenses. Eligible under the plan are single persons through age 60, a husband and wife through age 60, and children from birth up to age 18. Coverage may be continued up to age 65 on adults and up to age 18 or date of marriage on children included in family policies.

Standard premium rates in the new series 95 for annual premium permanent plans will be lower than the company's series 88 premiums. The reduction will average about 5% but will vary with plan and issue age. Despite the accumulation of higher maturity values, the new retirement income at 65 premium for males and females, and the retirement income at 60 premiums for females, will be generally lower than series 88. There is a slight increase in premiums, however, in the retirement income at age 55 policy and retirement income at 60 on males.

Single premium insurance rates are being reduced, the reduction averaging about 3%, but again varying with plan and issue age. The new single premium rate will be based on 2½% interest, instead of the former 2¼% interest. Substandard extra premiums are not being changed. Cash values of single premium policies will be lower because of the change from 2¼% to 2½% in the reserve basis. There will be some slight changes in non-forfeiture values under the return premium policies issued in New York state below age 10.

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The company's juvenile insurance program for ages 0 to 14 has been changed in the following respects:

At ages 0 to 9 (5 to 9 for New York state) the convertible, life paid-up at age 65 and optional retirement at 65 policies will be available in addition to those now being issued. Because it has been found that on many plans in a complete line of permanent insurance at ages 10 to 14, the issues are too infrequent, forms offered at these ages will be the same as at 0 to 9 and will consist of ordinary life, convertible, 20-payment life, 30-payment life, life paid-up at 65, 20-year endowment, 30-year endowment, 10-year endowment and optional retirement at 65.

The form of conversion privilege in 5, 10, 15 and 20 term policies containing a disability waiver benefit has been changed so that conversion may be made without evidence of insurability to an ordinary life policy with a disability benefit. This is conditioned on the insured not being disabled at the time of conversion. Maximum issue age for 5-year term policies containing the feature benefits has been raised from 50 to 55.

A new maturity option, also nonmedical, is included in the retirement income policies in lieu of the present paid-up insurance option which does require evidence of insurability. The new option will provide a life income (without certain period) in a reduced amount along with a fixed death benefit equal to $500 per $10 of original amount of monthly retirement income. It is available for both standard and substandard policies, and also will be included in the optional retirement policy, the fixed death benefit for that policy being $500 per $1,000 of original face amount.

Equitable's revised and liberalized commission rates will be applicable to series 95 policies sold under the new form of agent's contract. No commission rate changes are being made in the current or older forms of agent's contracts nor on series 88 policies. The following modifications apply:

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On the ordinary life policy the commission rate is being raised to 55% on policies issued up to and including age 55 and to 52% on policies issued at ages 56 and over; endowment policies running for 20 to 27 years will have a first year commission rate higher by 2½%; the first year commission rate on limited payment life policies with a premium period of 33 years or over is increased from 50% to 52%.

Also, the first year commission rate on retirement income at 65 and retirement plan endowment at 65 for issue ages 22 and under is increased by 5% and 5½% respectively; on the modified five-whole life policy, the first year rate on the original premium is increased from 37½% to 40%, and if the premium is increased in the sixth year, an additional 15% will be paid on the original premium (instead of 12½%) and 55% will be paid on the increase of premium (instead of 50%); all other first year commission rates which end in a fraction are being increased to the next higher integer.

Third year commissions for a number of policies will be increased from 7½% to 8% and second to 10th year commissions on retirement plan endowment policies with premium periods of 20 to 27 years will be increased by a like amount.

Pegging of commissions on policies issued at ages over 60 has been removed for renewal commission payments, allowing full renewal commissions to be paid on series 95 policies without regard to the issue age. For the first policy year, the pegging rule on a policy issued at age 60 is retained for ordinary life and limited payment life, and has been removed with respect to endowment and single premium policies.

The company will continue its 1953 dividend scale as a basis for dividends shortly to become due in 1954. This will require the setting aside of approximately $59,600,000 as compared with $55,800,000, set aside at the end of 1952, an increase of $3,800,000 or just under 7%.

Central Standard Names R. W. Staton

Robert W. Staton has been appoin agency director of Central Stand Life. He was formerly superintend of agencies of United States Life a

Robert W. Staton (center), agency director of Central Stand Life, shown with President E. H. He ning, left, and Alfred MacArth board chairman.

entered life insurance in 1934 with O cidental Life of California. He Occidental in 1950 to become supe tendent of agencies for United St Life.

Enders, Aetna Director, Resigns

John O. Enders has resigned as director of the Aetna Life affilia companies. He is succeeded by Ol D. Smith, a partner in the law firm Day, Berry & Howard.

Mr. Enders has been a director e since his election to the board in 18 when he filled the vacancy caused the death of his father, Thomas Enders. Mr. Smith is a director other Hartford civic and public o ganizations.

Aetna Promotes Bikoff

Arthur H. Bikoff has been appoint assistant general agent at Brooklyn with the Austin agency of Aetna L Aetna Life. He entered the busin at Brooklyn in 1947 and has ualif for the National Qualify Award f the last three successive years.

Williams to Life of Va.

Daniel L. Williams has been a pointed associate manager of the Ho ley agency of Life of Virginia at Ric mond. He has been with New Englan Mutual for 21 years. He is a past pre ident of the Richmond Life Unde writers Assn. and the Richmond CL

Additional 1954 Dividend Action Announced by Companies

Company ..	Current Policies	Old Policies	Funds Left with Company: Non-withdrawable %	Withdrawable %	Accum. Div'ds. %
American Mutual, Ia.	Same as '53	Same as '53	3	3	3.25
Bankers National N.J. ..	Same as '53	Same as '53	3	2.5	3
Benefit Assn. R. E. ..	Same as '53	Same as '53	3	3	3
Business Men's	Approx. 50% Incr.	Same as '53	2.5	2.5	2.5
California-Western	Increased	Same as '53	2	2	3
Central Assur. Ohio	Same as '53	Same as '53	2	2	2.5,3&3.5
Chicago Metropolitan ..	Same as '53	Same as '53	2	2	2
Connecticut General ...	Increased	Increased	3	3	3
Continental Assur.	Approx. 6% Incr.	Approx. 6% Incr.	3	3	3.15
Equitable, N.Y.	Adjusted	Same as '53	2.75	2	2.75
Equitable, Canada	Same as '53	Same as '53	3.75	3.75	4
Farm Bureau, Mo.	Same as '53	Same as '53	2.5	2	2.5
Federal Life, Ill.	Same as '53	Same as '53	2.5	2	2.5
Fidelity Mutual	Same as '53	Same as '53	2.75	2.75	3
Great National, Tex. ...	Same as '53	Same as '53	GUARANTEED RATE		
Guardian Life, N.Y.	Approx. 3% Incr.	Approx. 1.4% Incr.	3	3	3
Home Friendly	Same as '53	Same as '53	2.5	2.5	2.5
Imperial, Canada	Approx. 17% Incr.	Approx. 17% Incr.	3.5	3.5	3.5
Iowa Life	Same as '53	Same as '53	2.5	2	2.5
Loyal Protective	Same as '53	Same as '53	3.1	3.1	3.1
Lutheran Mutual	Same as '53	Same as '53	2.5	2.5	3
Midland Mutual	Same as '53	Same as '53	2.5	2.5	3
Monarch, Mass.	Same as '53	Same as '53	2.5(a)	2	3
National Old Line	Same as '53	Same as '53	2.5	2.5	2.5
National Reserve	Same as '53	Same as '53	2.5	2.5	2.5
Nebraska National	Same as '53	Same as '53	2.5	2	3
New York Life	Increased	....	3	3	3
Northern, Wash.	Same as '53	Same as '53	Guaranteed Rate		3
Old Line, Wis.	Same as '53	Same as '53	3	3	3
Philadelphia Life	Same as '53	Same as '53	2.5	2.5	2.5
Pioneer Mutual	Same as '53	Same as '53	2.5	2.5	2.5
Postal Life, N.Y.	Same as '53	Same as '53	3	3	3
Prudential	(h) (i)	(i)	3	3	2.75
Pyramid, Ark.	Same as '53	Same as '53	3	3	3
Saving Banks, Conn. ...	Incr. 50¢ per $1,000	Incr. 50¢ per $1,000	....	....	3
Security L.&A.	Same as '53	Same as '53	3.25	3.25	3.25
State Farm	Same as '53	Same as '53	3	3	3
Union Central	Approx. 10% Incr.	Approx. 14% Incr.	2.75	2.75	2.75
Union Labor	Same as '53	Same as '53	2.25	2	2
United Bankers, Tex. ..	Same as '53	Same as '53	2	2	2.5&
Western & Southern ...	Approx.	Approx.	2.5	2.5	3

(a) 2% on all contracts involving life contingencies. (h) Except on issues of 1953 for which scale has been modified while maintaining "net cost" of previous scale. (i) In creased for ordinary policies issued after 1941. For premium-paying policies issued before 1942 the 1953 scale is being continued. Schedules are effective Jan. 1, except f Federal Life, National Reserve and Northern of Washington, all of which become effective Feb. 1.

MONY Lowers Rates on New Term, Other Forms, Ups Advance Discount

Mutual Life, which a little more than two years ago made a general reduction in gross premiums, has lowered rates still further for new term insurance, preferred risk modified life and five-year modified life policies. These plans accounted for 43% of the company's new business in 1953.

This and other developments in Mutual's 1954 program were announced by Louis W. Dawson, president, during a business conference in Chandler, Ariz., attended by home office executives, regional officials and managers of the company's 100 agency offices in the U.S. and Canada.

Gross premiums have been lowered an average of 7% for term, 3% for preferred risk modified life, and 2% for five-year modified life policies, Mr. Dawson said.

The net cost of 1954 and 1953 policies is expected to be about the same, because the dividend scale on new issues will be adjusted. Mr. Dawson added, however, that a lower gross premium would make it possible for a greater number of people to buy insurance, and for present policyholders to add to their coverage, with a smaller outlay of money. New business has increased sharply since September, 1951, when a general decrease, averaging about 4%, in gross premiums became effective.

Other steps in the 1954 program include: The discount rate on premiums paid in advance is increased to 2½% from 2%; the interest rate has been increased to 3% under certain supplementary contracts, on which the guaranteed rate is less than 3%.

Comparison of gross annual premium rates per $1,000
Principal plans affected
(Plain policies)

	Age 25	Age 40	Age 55
Preferred risk modified life*			
Current rate - initial premiums	$16.88	$27.27	$49.48
New rate - initial premiums	16.82	27.13	49.12
Current rate - ultimate premium	19.29	31.16	56.55
New rate - ultimate premium	18.69	30.14	54.58
5-year modified life*			
Current rate - initial premiums	11.34	18.45	34.69
New rate - initial premiums	11.09	18.02	33.85
Current rate - ultimate premium	22.68	36.90	69.38
New rate - ultimate premium	22.18	36.04	67.70
5-year renewable term**			
Current rate	7.70	12.36	28.92
New rate	7.05	11.51	27.38
10-year term			
Curent rate	8.15	13.94	34.22
New rate	7.48	13.02	32.46
15-year term			
Current rate	8.72	15.92	—
New rate	8.03	14.92	—
20-year term			
Current rate	9.46	18.35	—
New rate	8.73	17.26	—
Term to 65			
Current rate	14.74	21.27	—
New rate	13.79	20.05	—
20-year family income (decreasing term) rider			
Current rate	5.64	11.71	—
New rate	4.81	10.88	—
Double protection rider			
Current rate	4.80	10.11	28.70***
New rate	4.35	9.29	26.61***

*$5,000 minimum.
**$10,000 minimum for males, $5,000 for females.
***Only for renewal.

Specimen special class premiums per $1,000
January, 1954 rates

Age at issue	Class 1 $	Class 2 $
5 year renewable term		
15	8.12	9.57
25	9.79	11.69
35	13.25	15.96
45	20.73	24.90
55	37.33	44.40
15 year term		
15	8.59	9.99
25	10.77	12.67
35	15.66	18.40
45	27.04	32.04
Term to age 65		
15	15.31	17.97
25	18.65	21.97
35	23.73	28.08
45	31.67	37.60
55	44.32	52.78

Age at issue	Class 1 $	Class 2 $
10 year term		
15	8.30	9.75
25	10.22	12.12
35	14.24	16.95
45	23.16	27.39
20 year term		
15	9.01	10.41
25	11.69	13.62
35	17.85	21.02
45	31.67	37.60

5 year modified life	Init. $	Ult. $	Init. $	Ult. $
15	10.61	19.13	12.04	20.56
25	13.86	24.95	15.77	26.86
35	19.08	34.20	21.79	36.91
45	27.95	49.77	32.14	53.96
55	44.14	77.99	51.26	85.11

The above premiums include the same amount of extra premiums as did the September, 1951 rates.

For double protection and family income riders, the rates will be the following percentages of the new standard rate:

Double protection	140%	175%	—
Family income	140%	175%	200%

These percentages were applied to the September, 1951 rates.

Continental American Has Greatest Year in 1953

Continental American Life registered an insurance in force figure in 1953 18% higher than in 1952 and 50% higher than in 1951, bringing the year end total to $296,339,521, and making last year the company's greatest in terms of production.

Outstanding 1953 producer was Clyde H. Smoll, of the Norristown agency at Quakertown, Pa., a winner of the 1953 National Quality Award. Leading agency was the Sam B. Sapirstein general agency at Brooklyn, and Mr. Sapirstein himself led all managers, general agents and brokers for the year.

The company has introduced a new family income and mortgage rider containing a new conversion privilege permitting conversion to a permanent plan. The family income riders are convertible up to five years prior to the expiration of the family income period. The mortgage riders are convertible during the 10 year period following their issue.

• *Stuart B. Micklewait*, manager of the new loan section of Maccabees, has been elected to the board of governors of Detroit Mortgage Bankers Assn. The board is composed of nine men, three whom are elected annually.

Gold Reluctantly Takes Wraps Off A.&H. Plan in N. C.

An industry committee which has been studying A&H problems in North Carolina for the past six months has recommended two moves to Commissioner Gold in a report still under study by the commissioner and a public committee.

The industry group, set up by former Commissioner Cheek after legislation which sought to establish a period of notice before A&H policies could be cancelled was killed in a senate committee last year, made its report Nov. 20. Mr. Gold had planned to postpone its release until some definite action was taken but Rep. Blue of Aberdeen, a newspaper publisher and member of the public committee, insisted editorially that the report be made public now. Mr. Gold complied, but advised Mr. Blue, "I am bringing out the fact that it was held for your committee to take some action and not because the department was trying to hold anything back."

In its report the industry committee proposed that the department require companies in their A&H filings to state the practice they will follow for "retiring from insured risks for reasons of deterioration of health of the insured", and that if a company sought to retire from such a policy after it had been in effect more than three years, one condition should be that the company must have paid the insured benefits in an amount equal to the dollar premiums paid on the policy during its lifetime. The industry committee said it found that companies terminated 3,862 policies in North Carolina, in 1952 and of this number 1,334 were terminated because insureds' health was impaired .This was the problem which produced the legislation and caused a sharp legislative battle.

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The committee said it opposed any action which would jeopardize the interest of the great proportion of the policyholders of the state by making the policies more expensive, the underwriting practices of the companies more limited or otherwise undo the benefits enjoyed by the policyholders in general. Its recommendations sought to limit their effect only to those whose policies had been or might be cancelled.

Mr. Gold said he submitted the report to the public committee and would hold a meeting of that group as soon as members indicate they are ready. Mr. Blue, the only member to express himself, indicated skepticism. He said he did not think the report came up with an answer such as he and other backers of the legislation had in mind and promised that "until sound hospital insurance is secured I do not plan to give up the fight."

Mr. Gold also said he did not believe the recommendations would take care of all the problems involved. At the same time, he added, as commissioner he has no desire to adopt regulations with any understanding that the same should take the place of needed legislation.

"Next," he said, 'I am wondering if it would be wise to adopt rules embodying the recommendations submitted by the industry committee." He suggested consulting with representatives of the state medical society.

Members of the industry committee

(CONTINUED ON PAGE 14)

Prudential Advances 3 to High Posts

NEWARK—Prudential has advanced Pearce Shepherd to vice-president and actuary and Edward M. Neumann and Paul B. Palmer to vice-presidents.

Mr. Shepherd, who has been vice president and associate actuary since 1947, has supervised the acturial, sickness and accident and medical departments since 1952. Valentine Howell, formerly actuary, will devote himself to his general duties as executive vice-president.

Pearce Shepherd

Mr. Neumann, who is an associate actuary and has been a 2nd vice-president since 1947, will continue to supervise the underwriting and other actuarial and contractual aspects of group insurance.

Mr. Palmer, a 2nd vice-president since 1949, will supervise the district agencies and agencies service departments, succeeding Vice-president James E. Rutherford. This will enable Mr. Rutherford to give full time to developing the Mid-America regional organization at Chicago.

E. M. Neumann

Paul B. Palmer

Mr. Shepherd, a vice-president of the Society of Actuaries, has been with Prudential since 1932 and was elected a 2nd vice-president in 1943. He is a graduate of University of Chicago.

Mr. Neumann, a fellow of Society of Actuaries, joined Prudential's actuarial department in 1926 after receiving his B. S. degree from Rutgers University.

Mr. Palmer joined Prudential's district agencies organization in Newark in 1921. In 1953, he participated in the advanced management program of the Harvard graduate school of business administration.

Form New Texas Insurer

Petroleum State Ins. Co. has been granted a charter in Texas. The new company will handle life and A & H. Formed by some 15 Jefferson county businessmen, the company's head office will be in Beaumont. Amount of capitalization is $37,500, of which $25,000 is capital stock and the balance paid-in surplus. Herbert J. Lass of Beaumont, leading figure in establishing the new company, said it is definitely planned to increase the capital stock and surplus to about $500,000 in the near future.

Improvement Talks in N. Y.

As salesmen, accident and health agents make a public speech whenever they talk to clients or prospects, Harry Stroman, an authority on public speaking and human relations, told Western New York A&H Assn. at its Jan. 4 meeting at Buffalo. Mr. Stroman said it is necessary to overcome fear and develop creative thinking while talking.

The meeting was attended by 64 members and 9 guests. It was in the order of a self-improvement gathering, and the women's point of view was discussed by Mrs. Howard Carpenter, a model and instructor of the Marian K. Farrell Charm School.

E. W. Berg Named to Succeed Holdhusen

Eric W. Berg was elected agency vice-president of Wisconsin Life, effective Jan. 1. He succeeds George R. Holdhusen who had been superintendent of agents and chairman of the agency committee since 1944. Mr. Holdhusen is retiring under the company's pension and retirement plan. Recognition of Mr. Holdhusen's 19 years' of service was given at the company's Christmas party.

Mr. Berg has had many years of insurance experience as an agent, general agent, and agency supervisor. He started in insurance with Penn Mutual Life at Newark, and just prior to going with Wisconsin Life was director of agencies of Western States Life.

Honor 4 Retiring GAs

NEWARK—Four general agents of Mutual Benefit Life who are retiring from agency management to return to personal selling were honored at a luncheon at the home office. They are Clay W. Hamlin, Buffalo; Ernest C. Kenagy, Wichita; E. Harold Peterson, Roanoke, and H. Lawrence Choate, Washington, D. C.

In presenting each man with a gold watch, suitably inscribed to commemorate outstanding service to the company, President H. Bruce Palmer spoke of the accomplishments of the four men. Letters of tribute from officers and general agents, in a leather-bound book inscribed "From Your Mutual Benefit Friends," were presented to each man by Mr. Palmer. Vice-president Richard E. Pille acted as chairman.

Hear Gravengaard in Minn.

A discussion of business insurance by H. P. Gravengaard, editor of the Diamond Life Bulletins, brought out an attendance of more than 300 at a meeting of Twin City Life Underwriters Assn.

The gathering was sponsored by the Minneapolis General Agents & Managers Assn. and managers from St. Paul attended as guests. J. G. Mulheran, Great-West Life, president of the managers' group, presided.

Baker Named Agency Manager

William D. Baker has been appointed manager of the life and group departments of the Wirt Wilson & Co. agency in Minneapolis. Mr. Baker was formerly with Connecticut General Life.

American Investors Names Cox

Claude C. Cox has been named public relations and advertising director for American Investors Life. After majoring in journalism at North Texas State College, Mr. Cox went with a large paper company in Dallas as a traffic and mill department manager and a salesman. In 1953 he joined the *Insurance Record* staff as assistant editor.

• *Richard T. Rosenfeld* has been promoted to assistant manager of the central Ohio branch of Confederation Life at Columbus. He joined the company four years ago when the branch was first opened.

• *N. W. Floyd* has been appointed supervisor for the Moss & Moss agency of Connecticut Mutual Life at Louisville. He formerly was general agent for Franklin Life at St. Matthews, Ky., and is past president of Louisville Life Underwriters Assn.

Travelers Names Wilkin V.-P., Advances Davis

Roger C. Wilkins, formerly secretary of the mortgage loan department of Travelers, has been appointed vice-president, and succeeding him as de-


Frederick A. Davis


Roger C. Wilkins

partment secretary is Frederick A. Davis, formerly assistant secretary.

Mr. Wilkins joined Travelers in 1929 and was named to his most recent position in 1953. Following service in Oklahoma and Texas he returned to the home office in 1934 and was named assistant manager of the farm loan division in 1936. He was appointed manager of that division in 1946.

Mr. Davis, assistant secretary of the mortgage loan department since 1953, went with Travelers Fire in 1926 and later that same year transferred to the mortgage loan department. He was named an assistant manager in 1936 and manager of the city loan division in 1946.

Eastern Life Cruise Features Forum, Policies, Business

A forum on business life insurance for small businesses made up the main program of Eastern Life's convention cruise from New York to Nassau on the *S. S. Queen of Bermuda*. Thirty persons attended and took part in the forum. Harry Yarin, vice-president and secretary, and Murray April, director of agencies, were in charge of the convention.

Also under discussion were new policy forms to be announced soon by the company. A report on company activities was also given.

Program Announced for Huebner Lectures

Future lecture topics for the current series conducted by the S. S. Huebner Foundation for Insurance Education have been geared to the many problems arising in connection with private old age pension plans. The series will continue through May 5 and will feature the following subjects and speakers:

"The Role of Public and Private Pension Plans", Dan Mays McGill, University of Pennsylvania; "Forces Underlying the Private Pension Movement", W. Rulon Williamson, actuarial consultant, Washington, D.C.; "Impact of Private Pensions on Capital Formation and Investments", Roger F. Murray, Bankers Trust Co., New York; "Impact of Collective Bargaining on Private Pensions", Murray W. Lattimer, industrial relations consultant; "Impact of Tax Policy on Private Pensions", William N. Haddad, Bell, Boyd, Marshall & Lloyd, Chicago.

Also, "Trends and Implications of Group Annuitant Mortality", Ray M. Peterson, vice-president and associate actuary of Equitable Society; "Actuarial Solvency of Pension Plans", George B. Buck, Jr., associate actuary, New York; "Meeting Price Level Changes", William C. Greenough, vice-president, College Retirement Equities Fund; "Characteristics of Insured Pension Plans", Frank P. Perkins, actuary of Aetna Life; "Characteristics of Trusteed Pension Plans", Kenneth H. Ross, Huggins & Co.

Concluding topics will be "Pension Problems of the Small Employer", James Elton Bragg, Guardian Life; "Preparation for Retirement", Robert L. B. Roessle, Standard Oil Co.; "The Economics of Pensions", Daniel H. Brill, board of governors of Federal Reserve System, and "Comparison of American and Foreign Pension Planning", J. K. Dyer, Jr., vice-president and actuary of Towers, Perrin, Forester & Crosby, Inc.

The series has been planned by Dr. David McCahan, executive director of the foundation, and later will be published in book form to be made available to colleges and universities.

Travelers Appoints New District Group Supervisors

New district group supervisors appointed by Travelers include R. E. Lapres, Montreal; Edward A. Courter, Jr., Milwaukee; Thomas H. Kimball, Springfield, Mass.; George W. Cheney, Jr., Hartford, and Norman A. Gallup, Bridgeport.

Mr. Lapres joined the company in 1948 as a group supervisor in Montreal and was promoted to assistant district group supervisor in 1952. Mr. Courter went with Travelers in 1948 in the group service division and was appointed group supervisor in Milwaukee in 1950 and assistant district group supervisor there in 1952. Mr. Kimball, whose most recent post was assistant district group supervisor at Springfield, Mass., went with the company on 1938 as a group supervisor at Boston. He was appointed assistant district group supervisor there in 1944 and went to Springfield in 1950.

Mr. Cheney became associated with the company in 1946 as a field supervisor at Hartford and subsequently was named group supervisor and assistant district group supervisor there. Mr. Gallup joined in 1938 in the group department and in 1945 was named group field service representative at Hartford. He was named group supervisor there in 1951 and in 1952 was transferred to Bridgeport in the same capacity. Later that same year he was promoted to assistant district group supervisor there.

Sees $100 Million in '55 for Am. Hospital & Life

President S. E. McCreless announced a goal of $100 million of life insurance in force by Dec. 1, 1955 for American Hospital & Life at the company's annual sales conference at San Antonio. A total of $76 million in force at year's end was reported by H. C. Christopher, vice-president and agency director, who reviewed the company's progress during 1953.

Other officers who addressed the three-day meeting were J. D. Wheeler, vice-president and general counsel; W. W. Jackson, administrative vice-president; A. W. Cantwell, vice-president and director of sales; W. C. Murphy, vice-president and secretary, and Revice W. Brown, superintendent of agencies.

Also, W. P. Hinsch, vice-president and actuary, who declared that impaired risks of certain types now may be accepted when complete data is received without undue delay; and Joseph J. Conner, agency secretary, who said that the sole proprietor, the partner and the key men all too often are overlooked by the agent.

Other speakers included Lillian Rhea, Memphis; G. P. McCreless, San Antonio; J. H. Syme, Houston; Gerard A. Sublette, Chicago; George L. Martin, Jr., Houston; Francis Sullivan, San Antonio; Mrs. La Trice Dean, wife of Densel Dean of Dallas, and Martin Corlew.

• *Jack Bullock* has resigned as executive assistant for the Elkhart, Ind., chamber of commerce to take over the local Aetna Life agency, formerly operated by the late G. Ford Rogers.

Southland Life to Build 40-Story Center in Dallas

Southland Life has planned a 40-story building in Dallas, to be known as Southland Center and similar to New York City's Rockefeller Center. It reportedly will be the largest downtown office building development ever undertaken in the southwest.

One of several units in the structure will be a mammoth parking garage capable of accommodating more than 2,000 automobiles daily. Three units above ground will provide home office facilities for Southland Life and office space for other firms. Completion of the garage and these first three stories is planned for the summer of 1957.

The company has purchased an entire city block in Dallas to be the site of the center. It contains 100,000 square feet of space. Announcement of the plan was made by John W. Carpenter, chairman.

Fund Salesmen Held Agents

WASHINGTON—Salesmen who sell mutual fund shares here for First Investors Corp. of New York must be licensed here if the plan involves group insurance that completes the buyer's monthly purchase program if he dies, Superintendent Jordan has ruled. Besides New York and District of Columbia, First Investors does business in 16 states.

Connecticut Mutual Advances Six Men

Connecticut Mutual has advanced Frank G. Snelgrove to farm loan secretary, George A. Scheidler to city loan secretary, Edwin F. Schwobel to financial secretary, Wilfred S. Burt, to supervisor tabulating department, William D. Carter to supervisor of income settlements, and Edward Orchard to assistant supervisor of city loans.

Mr. Snelgrove has been with the company since 1915 and has been supervisor of agricultural loans since 1949. Mr. Scheidler joined the company in 1923 and became supervisor of city loans in 1952. Mr. Schwobel joined the company in 1942 after being in the investment business. Since 1952 he has had charge of the bond portfolio.

Mr. Burt, with Connecticut Mutual since 1925, has been tabulating department head since 1937. He is president of Hartford Machine Accountants Assn. Mr. Carter joined the company in 1940. He has specialized in insurance tax problems. Mr. Orchard joined the city loan department in 1947 after 13 years in Boston real estate work. He is an army veteran.

Three Qualifiers to Address St. Louis Round Table

"Ideas That Produced a Million for Me in '53" will be the theme of the annual St. Louis Million Dollar Round Table meeting Jan. 21, when three local qualifiers for the national table will speak under the auspices of Life Underwriters Assn. of St. Louis.

They are John E. Percival, Jr., agent for Penn Mutual, and James J. Roberts, agent for General American Life, first year qualifiers, and William King, general agent for Fidelity Mutual Life, qualifying and repeating.

The St. Louis association has lined up the following list of dates, events and speakers: Feb. 18, Stanley C. Collins, secretary of the National association, "Enduring Success"; March 18, presentation of the play "Stardust" by Laflin C. Jones of Northwestern Mutual; April 15, Arthur Priebe, Penn Mutual, at Rockford, Ill., "My Five Favorite Fears"; May 19, Robert C. Gilmore, president of the National association, report on NALU activities; June 17, presentation of national quality awards.

Bill Would Foster Tighter State Welfare Fund Laws

WASHINGTON—Rep. Hoffman of Michigan has introduced a bill to encourage state supervision of labor union health and welfare funds, to promote their honest administration, and to protect employers and employes from racketeering. He recently conducted an investigation aimed at uncovering abuses among welfare funds in the mid-west.

Pacific Mutual Life Shows Substantial Gains

Substantial gains in insurance in force were achieved by Pacific Mutual Life Insurance Company during 1953, bringing the total to $1,494,500,000 with group representing approximately 30% of this figure. New life insurance placed in 1953 was $183,200,000, ordinary accounting for $108,800,000. A&H, with group forms representing approximately 62% of the total, showed an increase of better than 25% over 1952.

Leading general agent was Charlton G. Standeford at Fresno, Cal.

Pa. Groups Meet Feb. 17-18

The Pennsylvania Assn. of Life Underwriters will hold meetings at Hotel Harrisburger, Harrisburg, of the executive committee Feb. 17, the directors Feb. 18, and the planning committee of th Penn State Institute of Life Insurance Marketing Feb. 18. The latter will discuss plans for the course cosponsored by the state association and Penn State University, scheduled for Aug. 1-6.

Aetna Life Cuts Nonpar and Disability Rates

Aetna Life has made a substantial reduction in the extra premiums charged for disability benefits issued with all new life policies.

It also has made a substantial cut in the rates for the non-participating preferred life plan.

Smaller reductions have been made in premiums for other non-par. All other rates remain unchanged.

Changes are effective immediately and will be applied retroactively to all policies dated Nov. 1, 1953 or later. No changes have been made in premium rates for participating policies other than the reduction in the extra premium for disability benefits. Nonforfeiture values, settlement options, and annuity rates also remain unchanged.

Smith Tells Texas Legislative Goals

AUSTIN—Garland A. Smith, life commissioner and chairman of the Texas board of commissioners, has issued a statement pointing to the need for strengthening the financial requirements of domiciliary companies, principally in the life field. It was the formal opening gun in a legislative program to be presented a year hence and was issued following consultations with officers of Texas Life Convention and the Texas Assn. of Life Underwriters.

In connection with his program, Mr. Smith said that organizational requirements for forming new companies are too low, citing the following: New stock life companies may be started with only $25,000 capital; new mutual fire companies may be organized with assets of $20,000, and the minimum financial requirements for Lloyds and reciprocals are relatively low.

Mr. Smith also said that present laws are inadequate relating to review and approval of policy forms by the board, declaring that a stricter regulation of forms would be beneficial both to the industry and the public.

Present Texas laws, according to Mr. Smith, do not require diversification of investments. As a result, he added, all assets of a company could be spent in buying the entire stock of a corporation, which may have been substantially owned or controlled by the same person controlling the insurance company. "This situation," he said, "creates great difficulties in the valuation of securities held by the insurer."

Mr. Smith also favors closer supervision of securities issued by Texas companies, which currently are not subject to regulation by either the department or the secretary of state.

Floyd to Conn. Mutual

N. W. Floyd has been appointed agency supervisor at Louisville for Connecticut Mutual Life. Mr. Floyd, formerly general agent for Franklin Life at Louisville, is a past president of Louisville Life Underwriters Association and is a CLU.

• *Malcolm D. Thomas* has joined Republic National Life in its home office underwriting staff. He formerly was underwriting supervisor for Metropolitan Life.

Reed Sees No Chance of Rescinding SS Tax Rise

WASHINGTON—There is "absolutely no possibility" that the recent OASI tax increase will be rescinded, according to Chairman Reed of the House ways and means committee.

Well informed sources indicate the President will not recommend such action in his special message on social security next Monday. He is, however, expected to recommend increase of the OASI wage tax base from $3,600 a year to a point between $4,000 and $5,000.

This would result in an estimated annual revenue increase of $12 billion or more per month.

Social Security Committee Chairman Curtis has proposed a $20 increase in monthly benefits.

Persistent rumor is that the Department of Health, Education and Welfare has a program that would extend OASI benefits to totally and permanently disabled persons. It is anticipated that a new OASI formula will set up a period of highest earnings for determination of OASI benefit rights, instead of the present system of averaging all covered earnings as basis for such determination.

N. E. Mutual's $416 Million Ordinary Is New Record

BOSTON—For the third successive year, New England Mutual set a new record in 1953 for sales of ordinary. The 1953 volume, including revivals and additions, was $416 million, up 9%. Ordinary in force reached $3,650,000,000. Of the company's 83 agencies, 63 set new records. The Huppeler agency in New York City led with $20.3 million.

Great-West Raises Elliott

G. C. Elliott, formerly manager of mortgage investments of Great-West Life, has been appointed an assistant treasurer. He joined the company in 1940 in the mortgage department, later was appointed supervisor, and in 1947 manager of mortgage investments.

• A pamphlet pointing out ways in which insurance can provide added financial security is being distributed by *Republic National Bank of Dallas.*

Knight Agency Marks 40th Anniversary

NEW YORK—The Charles B. Knight agency of Union Central Life in New York City celebrated its 40th anniversary at a reception in the agency offices. Representing the home office were President W. Howard Cox and Vice-presidents Wendell F. Hanselman and John Lloyd. Acting as hosts were Charles N. Barton, president of the agency, and Vice-presidents Maurice Ziff and Hubert Davis. A special guest was Mrs. Walter Barton, mother of Charles Barton and widow of Walter Barton, former president of the agency. Mrs. Barton is the daughter of the late Charles B. Knight, founder of the agency.

The agency represents the company not only in the New York City area but in a large part of upstate New York. It is the company's top agency in production and insurance in force.

• *W. C. Bridge* has been named superintendent of agencies for Texas Empire L. & A. of Dallas. Mr. Bridge has been in managerial work there.

Merritt Resigns as V-P of Central Life, Iowa

DES MOINES—Francis L. Merritt has resigned as vice-president and director of agencies of Central Life of Des Moines. He has not announced his plans.

Francis L. Merritt

Mr. Merritt joined the company seven years ago, after having been with National Life of Vermont, where for five years he was assistant director of agencies.

He started in life insurance as an agent of Connecticut Mutual Life at Springfield, Mass., and became one of its leading producers. He was later with Monarch Life of Springfield, Mass., for 10 years, the last three as vice-president and director of agencies.

Before entering life insurance Mr. Merritt was a general accountant, cost accountant, and factory manager. His experience covers both life insurance and A&H. He is a CLU and holds the CLU management certificate. He served as a director of the former Life Agency Officers Assn. During his seven years at Central Life, insurance in force increased from $245 million to $385 million.

Gets Ohio State Life Award

Ohio State Life President's trophy was awarded to the Columbus agency at a dinner there in its honor. The trophy was presented to Wayne L. Lewis by President Claris Adams. Mr. Lewis, who recently was appointed Columbus general agent succeeding R. G. Leuzinger, retired, ranked first in production during the campaign and also led all Ohio State Life producers during the year. The Columbus agency topped all other company agencies during 1953.

Gene Conley Promoted

Gene Conley has been appointed field supervisor for American Mutual Life. He will assist B. R. Merrill, Jr., agency supervisor. He has been an agent for the company at Omaha since 1948.

Pension Guide Published

There is now available from the Farnsworth Publishing Co., 11 West Prospect avenue, Mount Vernon, N. Y., a *Guide to Pension and Profit-sharing Plan.* Price is $1.50 per single copy. The attractive 64-page booklet is written in language easily understandable to the layman and consists entirely of questions and answers. It defines pension and profit-sharing plans and discusses their intricacies. The author is Dr. Robert S. Holzman, professor in charge of tax courses at New York University's graduate school of business administration. Saul B. Ackerman, business consultant and professor of insurance at N.Y.U., collaborated as editor.

Changes for Pottier, Ackel

C. Harris Pottier, Sun Life of Canada manager at New Orleans, has been transferred to San Francisco. Named to succeed him at New Orleans is George J. Ackel.

Cowee, Fraser to Speak at School

John Cowee, assistant professor of commerce, University of Wisconsin and director of Wisconsin CPCU, and Hugh W. Fraser, Jr., vice-president Citizens & Southern National Bank, Atlanta, will speak at the annual school sponsored by the National Assn. of Bank Auditors and Comptrollers July 25-Aug. 7 at University of Wisconsin.

Mr. Cowee's discussion will include a study of group insurance and group hospital insurance. Mr. Fraser will speak about administration of pension plans and compliance with federal income tax requirements.

• Sales promotion contests and other methods for stimulating production were discussed by Hugh S. Bell, Equitable of Iowa general agent, at a luncheon meeting of *Seattle Life managers.*

Pilot Life Names Three Gen'l Agents in South

Pilot Life has appointed Wilbur L. Roos general agent at Knoxville, Tenn.; Charles S. Webster, general agent at Little Rock, and Charles E. Stephenson, associate general agent at Wilmington, N. C. Mr. Roos was formerly general agent of Franklin Life; Mr. Stephenson was with Connecticut Mutual Life, and Mr. Webster was with Southland Life in Little Rock.

W. L. Roos

C. S. Webster

C. E. Stephenson

Northwestern Mutual Has Four-State Conference

MINNEAPOLIS—Vice-president Robert E. Dineen and other home office executives attended a two-day conference of Northwestern Mutual Life agents at the Curtis hotel here. Four states were represented in the conference.

New Louisville Insurer

American Income Life has been incorporated at Louisville, with paid in capital of $125,000 and surplus of $75,000. It will write life and A&H.

H. L. Goodman, retired insurance man of Denton, Tex., is president. Bernard Rapoport, executive vice-president of American Income of Indianapolis, will have a similar position with the new company and Thomas F. Rose will be director of agencies. Mr. Rose, in insurance for 16 years, formerly was with American Life & Accident of Louisville.

Mrs. Joseph Is Chairman

Mrs. Lillian Joseph, Home Life of New York, New York City, has been appointed chairman of arrangements for the Women's Quarter Million Dollar Round Table and women underwriters committee for the National Assn. of Life Underwriters annual meeting in Boston in September.

Miller Shifted to San Francisco

Melvin M. Miller, who has been with Great-West Life at Los Angeles, is being transferred to San Francisco as brokerage manager. He has been in insurance since discharge from the air force. Sayre, Toso & Schaefer, Los Angeles, is the California general agency for Great-West. The San Francisco office is moving to larger quarters at 465 California Street.

Hohenstein Savannah Manager

Wallace Hohenstein has been appointed Savannah manager of Fidelity Union Life of Texas. He has had 13 years experience in insurance.

Passing of Death Valley Scotty

The recent demise of Death Valley Scotty recalls his indirect connection with the life insurance business. In 1930 he disclosed that the source of the money he spent so freely was not the "million-dollar hole in the ground" that he had formerly credited, but Albert M. Johnson, Chicago evangelist and president of the now-defunct National Life of the U. S. A.

A few days later Scotty said he had made up the Johnson story just for publicity but in 1937, during a suit for alimony by Scotty's wife, Mr. Johnson gave the low-down from the witness stand.

"Scotty hasn't got a dime," he said. "I've been paying his bills for years. He paid me back in laughs."

Watt Heads Chicago Group Office for Washington Nat'l

Washington National has opened a group office at 208 South LaSalle street, Chicago, with Frank O. Watt as group supervisor. Mr. Watt joined the company in 1947 and in 1951 went to Atlanta as group supervisor. He served as vice-president of Georgia Assn. of A. & H. Underwriters.

John Weck, with Washington National since 1950, will be group field representative at Chicago.

Panel Being Heard by 4 Associations in One Day

Three Indiana life insurance men set some kind of record on Jan. 15 when they appeared as a speaking panel before four different local associations in the state, all on the same day.

Oren Pritchard, manager, Union Central Life, Indianapolis, chairman of the state law and legislation committee of NALU; Claude Jones, general agent, Connecticut Mutual, Indianapolis, trustee of NALU; Francis Davis, general agent, Indianapolis Life, Marion, vice president of the Indiana state association appeared as a speaking panel in Muncie at 8 o'clock, in Marion at noon, in Kokomo at 2:30, and for dinner at Logansport. Mr. Davis served as panel chairman.

Roughton Assistant V-P

Peter R. W. Roughton has been named assistant agency vice-president of North America Assurance Society of Richmond. He has been manager of the group department. He has been with the society seven years.

Brooklyn Congress Card

BROOKLYN—Speakers for the sales congress of the Brooklyn branch of the New York City Life Underwriters Assn. will include G. Hoyle Wright, superintendent of agencies Metropolitan Life; Gerard B. Tracy, manager Prudential, New York City, who led his company in 1949, his first year in the business; and Donald I. Rogers, financial editor New York Herald Tribune, who will talk on "Teach Your Wife to Be a Widow," the title of a book he wrote.

The meeting will be at 2:15 p.m. Jan. 28 at Hotel St. George. Bernard Bergen, Mutual Trust Life, is chairman.

New England Ups Two

New England Mutual has appointed Kenneth W. Henchey as assistant manager of the benefit and title department, and Vernon L. Jewett as supervisor of agency records. Mr. Henchey has been with the company since 1933. Mr. Jewett joined the company in 1934 and has been assistant supervisor of agency records since 1950. He is an army veteran.

Smith Succeeds Enders for Aetna

John O. Enders, a director of Aetna Life for 59 years, has resigned and has been succeeded by Olcott D. Smith, partner in the Hartford law firm of Day, Berry & Howard.

North American L&C Ups 6 in Home Office

North American L. & C. has promoted six men. B. H. Odell becomes vice-president and treasurer; I. W. Kimmerle, secretary; Ralph I. Oasheim, assistant secretary; Ward H. Beall, underwriting vice-president; H. C. Dunkley, actuarial vice-president, and Welden S. Ingvaldson, 2nd vice-president.

"Slingin' Sammy" Baugh to Head Life Company

"Slingin' Sammy" Baugh will head a new life insurance company being formed at Houston, bringing another famous athlete in the ranks of insurance personalities.

A contract has been signed between Mr. Baugh and Southwestern Fidelity Investment Co., which proposes to invest part of its capital in the stock of a life company to be known as Southwestern Fidelity Life. Mr. Baugh will be president of the company, which is expected to begin operations in February.

Mr. Baugh is a former star of Texas Christian University and the Washington Redskins, and has signed on as an associate coach of the Hardin-Simmons University team. The company will deal in life insurance only.

Wright Leads Bankers, Ia.

Robert D. Wright, Alliance, O., who is with the Fehl agency of Bankers Life of Iowa at Cleveland, is the company's "Salesman of the Year" for 1953. His personal production of more than $1,250,000 set a new company record.

Robert D. Wright

Mr. Wright has been a full-time agent for Bankers since 1944. He signed a part-time contract in 1926 while coaching at Mount Union College.

Leading agency for the year was the W. A. Fraser organization at Lincoln, Neb. Its production was more than $400,000 above that for the next highest agency and represented an excess over quota of 30%.

COMPANIES

New Production Heights for Bankers, Neb.: Up 10.8%

Bankers Life of Nebraska had its most successful production year in 1953, new business totaling $58,745,000, an increase of 10.8% over 1952.

D. Paul Fansler, Fresno, Cal., was leading producer. This is the second time in the last four years Mr. Fansler has been the top agent. The T. A. Dent, Jr. agency at Philadelphia for the fourth consecutive year led all agencies.

Equitable, Ia, '53 Record in Best Ever Category

The largest production ever was registered in 1953 by Equitable Life of Iowa, new paid life totaling $128,370,-726.

December paid for production amounted to $13,285,932, the largest total for that month.

Life insurance in force at the end of 1953 stood at $1,300,834,807.

The Griffin, Ingram & Pfaff agency at Chicago led all others with $5,238,-695 of new life insurance.

Lincoln Nat'l Uses Glowing Terms to Trace '53 Results

New highs in paid business, assets and amount of insurance in force were reached by Lincoln National Life in 1953.

Life Insurance issued amounted to more than $950 million, assets now are in excess of $950 million, and the company's in force figure stands at $6¼ billion. Benefits paid to policyholders and beneficiaries last year were more than $70 million.

National of Vermont Up 17% in New Business

National Life of Vermont's sales were nearly $160 million in 1953, up nearly 17%. Premiums gains nearly 18%. Top agency for the year was Atlanta.

Fidelity Mutual Ahead 13.7% in New Business

Fidelity Mutual Life had a paid volume of $88,290,604 in 1953, up 13.7% and a gain of insurance in force of 7.25%, bringing the Dec. 31 figure to $807,685,379. Both new business and gain in force were new company records.

B.M.A. Sets New Record

Business Men's Assurance reports new paid life insurance for December reached a record high for any month in the company's 44-year history. The total was $20,863,551, bringing the total of new paid life insurance for the year up to $186,197,785, an increase of 11% over 1952.

The increase in life insurance for the month brings the total in force to $729,926,796—a gain for 1953 of $100,-613,123. The company expects to show a comparable gain in A&H premium income.

December Manhattan's Best

In December Manhattan Life set a one month's record for ordinary business written with a total of $7,907,486. This exceeds by more than $500,000 the figure of $6,384,000 achieved in June, 1953, the company's best previous month for ordinary business.

Occidental Life of California's December written sales of ordinary life insurance totaled $61,189,738, up $6,280,111 over December, 1952, sales.

LIFE AGENCY CHANGES

N. W. Life, Wash., Names 2 General Agents in Cal.

Northwestern Life of Seattle has appointed two general agents in Colorado, Robert L. Akin at Denver and Guy W. Peeler at Longmont.

Mr. Akin has been in insurance since 1948, the last four years with Occidental Life of California. Mr. Peeler, a 25-year insurance veteran, started at Moberly, Mo., with Prudential. He later was with Business Men's Assurance, Kansas City Life, and Occidental Life of California.

Bremner Manager of N. Y. Agency of Home Life

Robert W. Bremner has been named manager of the New York agency of Home Life, formerly headed by John H. Evans, who is now vice-president and manager of agencies.

Robert W. Bremner

The Evans agency has been one of the company's leading agencies since its organization in 1945. For seven of the past eight years it has been among the 3 top agencies of the company.

Mr. Bremner joined Home Life in 1942, then the sales planning division of the agency department. Three years later he was appointed an agency field assistant in agency management and training. He was manager in Atlanta four years, in 1953 returning to the home office agency department as assistant vice-president.

Midland Mutual Names 2

Midland Mutual Life has appointed new general agents in Philadelphia and Newark.

Samuel J. Fein was named in Newark and Bruce H. Beale in Philadelphia. Both appointments were effective Jan. 1.

Manness, Blake Advanced

Northern Life of Canada has advanced A. L. Manness to assistant secretary to the underwriting executive, and G. R. Blake to assistant treasurer.

Mr. Manness has been with the company since 1931. He is immediate past president of Canadian Home Office Life Underwriters Assn. With the company since 1947, Mr. Blake is a fellow of Life Office Management Assn.

Culbertson Now Manager

CINCINNATI—Ben E. Culbertson, formerly assistant general agent for John Hancock Mutual Life, has been appointed manager here for Jefferson Standard, succeeding Donald S. Stark whose appointment as manager at Huntington, W. Va., by Provident Life & Accident was announced some time ago. Mr. Culbertson entered the business in 1945 after leaving the army air corps. He is a graduate of the Purdue course.

Wilson to Okla. Department

Joel N. Wilson, who was formerly with the Wisconsin department, has been appointed senior examiner in the Oklahoma department.

Mr. Wilson graduated from the University of Wisconsin and joined the department in 1941. He was responsible for changing the Wisconsin state life fund valuation from the group to the attained age basis. From 1943 to 1946 he was on duty with the navy reserve.

Liberty Life Makes Numerous Changes

Liberty Life has made these appointments: At the home office W. E. Gantt becomes director of combination agencies; J. C. Harmon and T. H. Robelot associate directors of combination agencies; Will C. McMasters manager of training in the combination division; J. Burton Webster, Jr., assistant director of ordinary agencies, and C. F. Dawes, agency secretary in charge of the agency service department.

In the combination division R. J. Cooper becomes manager at Kannapolis, N. C.; J. L. Paschal manager at Hendersonville, N.C.; E. L. Price Jr., manager at Lancaster, S. C.; G. L. Bissett assistant manager, Florence, S. C.; J. V. Long assistant manager, Monroe, N. C.; H. C. Morris assistant manager, Charleston, S. C.; J. G. Skinner assistant manager, Greenville, S. C.; L. E. Sturgeon assistant manager, Darlington, S. C.; J. P. Tankersley, Jr., assistant manager, Sumter, S. C., and E. E. Wessel assistant manager, Orangeburg, S. C.

In the ordinary division Neal Sandy becomes associate manager at Tallahassee, Fla., and John Warner assistant manager at Bristol, Tenn.

Logan Heads New Agency

Russell M. Logan has been appointed general agent of a new agency established at Bloomington, Ill., by Ohio State Life. He entered the business in 1947 and most recently has been assistant director of the life insurance marketing institute at Purdue University.

Russell M. Logan

He has instructed in LUTC courses and also served on the staff for summer seminars at Penn State College and University of Kansas.

D. F. Sweet to Occidental

Donald F. Sweet, former agent with Beneficial Life of Utah, has been appointed general agent for a new Occidental Life of California general agency at Hayward, Cal. He has been in insurance since 1949.

McIntyre Group Manager

James D. McIntyre, district group representative at Cleveland for Massachussetts Mutual since 1952, has been appointed district group manager at Detroit, succeeding Walter J. Hurley, who resigned. Mr. McIntyre entered the group business at Buffalo following air force service. He was at Cincinnati before his Cleveland appointment. Before entering the service he was a mathematics teacher.

Caughman is Brokerage Manager

John E. Caughman has been appointed brokerage manager of the John F. Fixa agency of Manhattan Life at San Francisco to replace Charles D. Rush, who resigned to become an independent insurance broker. A former newspaper man, Mr. Caughman's first life insurance experience was with Occidental Life of California as assistant brokerage manager at San Francisco. Before entering insurance he was a financial reporter and editor of several leading insurance trade papers and daily newspapers.

Thomas Named Gen'l Agent for Paul Revere at Dayton

Charles W. Thomas has been named general agent in Dayton for Massachusetts Protective and Paul Revere Life, coming from Akron where for five years he had been a national sales leader for the two companies.

N. Y. Life Names Mahrt

Clifford E. Mahrt, who has been assistant manager at Sioux City and Fort Dodge for New York Life, has been appointed manager at Waterloo, Ia., where the company has established a new branch office. The new branch will be headquarters for New York Life agents in 22 counties of northeastern Iowa. Mr. Mahrt is a veteran of world war II.

Earls Brothers Named by Manhattan in Cincinnati

Manhattan Life has appointed Thomas W. Earls and John V. Earls general agents in Cincinnati. They belong to a famous insurance family.

T. W. Earls

J. V. Earls

Thomas is vice-president of the general agency of Earls-Blain Co. and currently heads National Assn. of Casualty & Surety Agents. John is treasurer of Earls-Blain.

William T., a brother, is general agent in Cincinnati of Mutual Benefit Life.

EDITORIAL COMMENT

Sales Skills Don't Depend on Commissions

The theory that a general agent or manager has to be in the field doing personal production or he will lose his facility in the art of salesmanship got a serious setback from Paul A. Norton, regional vice-president of New York Life in his recent talk before the Indianapolis General Agents & Managers Assn.

After New York Life in 1946 ruled out commissions for salaried managers or any other salaried field or home office personnel, there was concern in some quarters about managers losing their selling ability. However, Mr. Norton said the reverse has been shown by actual experience. The manager is still expected to sell, perhaps even more than before the rule was passed, but he is in the pleasant position of being paid to make all the commissions for somebody else.

"When a man is doing personal production he develops his own procedures and becomes more skilled in their use," Mr. Norton pointed out. "However, when he is selling with many agents he becomes skilled in many sales procedures. He becomes a good package salesman and a program salesman yet will know how to handle business insurance cases. The quotation is to the effect that where you will find a man's purse, you will find his heart also. I am sure this applies to New York Life men as to any other group. Under this arrangement, a manager is paid to help others. He is free to spend his selling time where it will do the most good and not where it pays the manager the most commissions. Agents are quick to recognize this and are most appreciative."

Whether it is the course of wisdom to bar the payment of commissions to any but agents is of course a matter for each company to determine in the light of its particular circumstances. But if a company is thinking of taking this step it apparently need not hold back for fear that its agency heads will lose the selling skills that make them valuable helpers and coaches in addition to being leaders and instructors.

Costs in an Economy of Plenty

Life insurance people can take comfort and encouragement — and also a measure of warning — from a recent *Advertising Age* editorial which makes the point that sales and distribution costs are due to rise and nobody should feel concerned about it.

"Over the long pull and very likely starting this year, sales costs and distribution costs are going to go up," the editorial states. "It is important that business men in particular should understand that this is so and why it is so, and also why it is not 'immoral' or anti-social, or un-American for sales and distribution costs to rise.

"The simple fact is that rising distribution costs are a function of an economy of plenty, or an age of consumption, or whatever you want to call it. People have larger quantities of goods and services than ever before. Most of them are far above the subsistence level. They can, if they like, retire from the automobile market or the clothing market or the housing or home furnishings or appliance market for a year or two without doing serious damage to their standard of living. To induce these people—who don't have a real *economic need* for your goods—to come into the market place requires aggressive selling. And aggressive selling is an expensive process.

"There seems to us no reason why business men, marketers or advertising men should refuse to face this fact, or entertain any feeling of guilt, however slight about it. In the first place, the fact that selling will almost certainly become a larger and larger part of the cost of goods and services does not necessarily mean that total costs will go up; it may and indeed should go down.

"But even more important is the realization that all costs are relative. No matter how high the cost of selling and distribution may be, can anyone seriously doubt that the *cost of not selling* would be infinitely higher?"

These observations by *Advertising Age* confirm what is abundantly evident in what is going on in practically every line of merchandising; that it is almost impossible to price yourself out of the market if you do your selling aggressively and intelligently. The lesson for life insurance seems to be that concern about keeping rates down and dividends up is probably overdone except in that segment of the market that is known to be sufficiently cost-wise so that low cost is a valuable sales point.

For the general run of buyers in today's economy, however, it seems more likely that the acquisition cost of life insurance could be doubled and result in greatly increased sales—provided the added outlay for merchandising were employed effectively and aggressivly. Actually, vast numbers of buyers assume that the more a thing costs the more it is worth. "You get about what you pay for," a concept nearly always fallacious, is believed and acted upon by a surprisingly large number of otherwise intelligent buyers.

Even such reputedly shrewd buyers as the French have been caught out on that one. When Antoine Pinay was premier he told about his market test of prices: A Camembert cheese was divided and the two halves were displayed at different prices. Always the customer chose the higher-priced half. The same experiment was tried with a bolt of cloth. Not only did the customers prefer the more expensive piece but in comparing the two identical lengths they convinced themselves that the price difference was justified.

Just notice how ready people are to fling their money around for purchases far less necessary or worthwhile than life insurance — largely because these other products have no ceiling on their acquisition cost except that set by law of demand and supply. Life insurance people may well wonder how far they should overwork their consciences in valiantly attempting to shave net cost for the benefit of policyholders who will probably use the saving to go out and buy a deluxe "hard-top" car with all the trimmings instead of a standard model that would get them where they are going with just as much comfort.

So much for the encouraging angle of the new economic philosophy as it affects life insurance. The other side of it is that as more and more merchandisers of tangibles wise up to the fact that the public will keep on buying and buying if aggressively sold, no matter what the price, the well known competition of tangibles vs. life insurance is going to get even tougher than it has been.

It is true that life insurance is quite widely regarded among the public as being pretty aggressively sold. But maybe it is time to reappraise just what constitutes aggressiveness. It certainly isn't the kind of aggressiveness displayed by some of the old-time life insurance salesmen who browbeat their prospects until they signed on the dotted line. The life insurance business has pretty much gotten away from that and perhaps a little too far away.

The kind of aggressiveness that *Advertising Age* is talking about is a company-wide or perhaps an industry-wide matter. It is highly organized and quite likely to be based on research and shrewd planning. It is that kind of aggressiveness that the life insurance business must compete with in the coming years.

PERSONAL SIDE OF THE BUSINESS

L. Douglas Meredith, executive vice-president of National Life of Vermont, has been named to a three-man commission by Gov. Emerson to represent Vermont on a 21-man committee to study the textile industry in New England.

Commissioner Humphreys and former **Commissioner Cogswell** of Massachusetts will be honored at a dinner Jan. 21 in Boston by Insurance Society of Massachusetts. J. F. Haller of OBrion, Russell & Co. is chairman of the affair.

Frazar B. Wilde, president of Connecticut General Life, is chairman of the research and policy committee of the committee for economic development, which just made public a long-range program of federal tax reduction and reforms. Another life insurance member of the committee is Chairman Leroy A. Lincoln of Metropolitan. Estimating that the cash consolidated budget will be more or less in balance for the current fiscal year and that tax reductions Jan. 1 and scheduled for April 1 will result in a revenue loss of $\$5\frac{1}{2}$ billion, the committee suggested the possibility of a further tax cut of $\$2\frac{1}{2}$ billion in fiscal year 1955.

Wilfrid E. Jones, NALU director of public relations, is in the Greenwich hospital, Greenwich, Conn., recovering from a successful minor abdominal operation. He has been undergoing a complete physical check-up during the past two weeks and expects to resume his duties towards the end of this month.

Earl R. Trangmar, who was recently advanced to third vice-president of Metropolitan Life, is widely known in the life insurance business, having handled many inter-company matters for Metropolitan, particularly in the agency field. In 1937 he was loaned by the company to assist in setting up the Institute of Life Insurance. With Metropolitan Vice-presidents Henry E.

The NATIONAL UNDERWRITER
—Life Insurance Edition
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Editor: Robert B. Mitchell.
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Chicago 4, Ill.
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MINNEAPOLIS 2, MINN.—558 Northwestern Bank Bldg., Tel. Main 5417. Howard J. Meyer, Resident Manager.

NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beekman 3-3958. Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.
PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127, Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.
PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494. Bernerd J. Gold, Resident Manager.
SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. Exbrook 2-3054. F. W. Bland, Pacific Coast Manager.

North and Cecil J. North, he had a large part in establishing the cooperative fund for underwriter training through which the American College is largely financed. He is a member of the American college's examination board and for a number of years has been chairman of the college's textbook committee. He is a member of the New York State advisory board for life agents examinations and the similar board for A&H Underwriters examinations. He was a member of the special committee that supervised the preparation of the consumer education text on life insurance now used in high schools and has taken an active part in many other important committees on industry projects. He joined Metropolitan in 1930 after having been in newspaper and advertising work.

William H. Andrews, Jr., manager of the home office agency of Jefferson Standard at Greensboro, has been appointed North Carolina state chairman of the U. S. savings bond advisory committee. He is a past president of National Assn. of Life Underwriters.

Lester L. Bates, president of Capital Life & Health of Columbia, S. C., has announced he will seek the nomination for governor in the Democratic primary this summer.

Carl E. Haas, general agent of Continental Assurance, was installed as president of the Brooklyn Kiwanis Club.

A. M. Burton, former president of Life & Casualty and **J. E. Acuff**, retired 1st vice-president, have been named chairman and a director, respectively, of the Nashville Christian Institute.

Garnett E. Cannon, vice-president and actuary of Standard of Oregon, has completed 25 years service and in commemoration of the event was presented with a gold watch by the company. He is a fellow of Society of Actuaries, has served on that group's program and examination committees, and is a past president of Actuarial Club of the Pacific States.

Ernest Klepetar, actuary of Mutual Service Life of St. Paul, has been appointed research associate in actuarial science by University of Minnesota. Mr. Klepetar received the honorary title because of his work with Dr. Ancel Keys of the university laboratory of physiological hygiene. Their research work on the incidence, mortality, and possible prevention of degenerative heart disease has been underway for a long period. Mr. Klepetar will be a member of a research team headed by Dr. Keys, which will continue its work in Italy for several months. He leaves Feb. 1, for Italy and will be located in Naples.

Norman A. Morse, president of Home State Life, is the new president of the local Kiwanis Club in Oklahoma City. At the inaugural ceremonies, Mr. Morse was presented with a pick-axe handle decorated with the names of all past presidents. This is the club's symbol of authority. Presentation was made by Joe D. Morse, founder of Home State Life and for many years president, now retired. He is the father of Norman Morse and also a past-president of the Kiwanis Club.

Vice-president **Chester O. Fischer** and General Agents **Arthur H. Challiss** of Seattle and **Harry I. Davis** of Atlanta, and General Agent Emeritus **John F. Davies** of Baltimore celebrated their 40th anniversaries with Massachusetts Mutual Jan. 1.

Deane C. Davis, president of National Life of Vermont, has submitted his report to the special legislative committee now studying Vermont's school supervisory system and its weaknesses.

Howard J. Brace, vice-president and secretary of Occidental Life of California, this month celebrates his 30th anniversary with the company. Mr. Brace is a former commissioner of Idaho.

A. Moseley Hopkins general agent in Albany for Penn Mutual, has been elected a trustee of the Albany Exchange Savings Bank.

DEATHS

LINDLEY H. BETTS, a member of the legal department of Kansas City Life for almost 28 years, died following a heart attack after becoming ill in his office. He had handled a great deal of the company's Texas business. His widow, Mrs. Alice Allen Betts, before her marriage was secretary to H. R. Carpenter, Kansas City Life treasurer.

VIOLET A. WEIGHTMAN, district manager at Aurora, Ill., for John Hancock since 1943, died.

(CONTINUED ON PAGE 16)

D.L.B. Life Tax Fact Book is Now Available

The new 1954 edition of *Tax Facts on Life Insurance*, developed and published by the Diamond Life Bulletins department of The National Underwriter Co., is now off the press.

This tax question-and-answer book is a fine aid to life underwriters, helping them to keep abreast on new tax legislation, court decisions, treasury decisions and rulings.

Its answers reflect the effect of the Technical Changes Act of 1953; other very recent laws on such matters as the $5,000 death benefit, redemption of stock to pay death taxes, insurance as capital contribution to partnerships, good will in close corporation stock valuation, estate and income taxation of employes' annuities, indirect payment of premiums, short term trusts, etc.

It includes the exclusive D.L.B. Guidex which makes this authoritative tax book really three books in one. It can be told at a glance whether the prospect has one, two, or three federal tax problems. *Tax Facts'* easy-to-find information on income, estate and gift taxes is a quick easy-to-use source of facts for review of tax problems. Price: $1.75 per single copy.

New Handbook for Ohio

A new, up-to-date Underwriters' Hand-Book of Ohio has just been published by the National Underwriter Company. It provides complete and up-to-date information on the agencies, companies, field men, general agents, solicitors, groups and other organizations affiliated with insurance throughout the state.

Premiums and losses by lines within Ohio for all fire and casualty companies and life insurance paid for and in force for life companies, are also presented in a special, statistical section. Copies may be obtained from the National Underwriter Company, at 420 East Fourth street, Cincinnati 2, Ohio, Price $12 each.

NY Life Announces 21 New Policies

(CONTINUED FROM PAGE 7)

fect of a higher interest assumption by adopting the so-called 'continuous functions' method for A.D. 54 policy reserves, with the result that even after the early years the new cash values in some cases are as high, or even higher than the corresponding cash values in our A.D. 48 policies. This is particularly true for the longer policy durations at the older attained ages."

Many new plans have been introduced, while a number of plans have been discontinued either because they have been replaced by similar new plans or because they have been in very little demand. The new plans include a $10,000 minimum amount whole life policy and a $5,000 life modified three policy which replaces the "9-90-9" ordinary life and modified endowment at age 85 policies. There are $10 and $20 a month family income riders, mortgage protection riders and a mortgage protection term policy, a five-year renewable term and a term to age 65, the estate builder plan already referred to, and other plans.

. . .

New settlement options have been included—**a life income with installment refund, one with a five-year certain period and a joint and survivor life income with a 10-year certain period. A guaranteed interest rate of 2% is applicable to funds left on deposit (options 1 and 4). A rate of 2½% is guaranteed on the other options. On the other hand, excess interest is allowable only during the certain period under option 3 settlements.** Absolute assignees who are natural persons may elect settlement options.

Newark Has Top LUTC Ratio

The Newark Life Underwriters Assn. ranks first among all local life underwriter associations in percentage of members enrolled in LUTC study courses. It has 129 members in five courses.

● *L. Vern Greenwood*, assistant manager for Equitable Society at Milwaukee spoke on "Wills and Estate Planning" at a dinner meeting of Milwaukee Osteopathic Physicians & Surgeons Assn.

Mutual Benefit Sales a Record $302,372,644

Mutual Benefit Life had a record sales volume in 1953 of $302,372,644, up $35,180,337. December also was the biggest month in Mutual Benefit's history, with $33,921,708. The William T. Earls agency of Cincinnati led for the 1953 year with $15,012,310, an increase of $2,161,185. Twenty-five agencies had the biggest year in their histories and 55 of the company's 73 agenries showed increases over 1952.

Ann Arbor to Launch Employe Group Program

Bids are to be asked by the Ann Arbor city government in connection with launching a group life program for municipal employes, according to action by the city council. The council decided to employ Edward W. Saults, assistant actuary at the University of Michigan, to analyze the bids received.

Alderman John S. Dobson, chairman of a special study committee, said that after conferences with Mr. Saults it was felt that a term coverage plan would be more feasible than a paid-up program previously favored. The coverage would be provided for all employes 22 or more years of age after six months of service, with the city and employes sharing the cost equally.

Manning Named by ALC

H. W. Manning, vice-president and managing director of Great-West Life, was named by American Life Convention executive committee to fill a vacancy on the committee resulting from the death of John G. Parker, former board chairman of Imperial Life of Canada. Mr. Manning will hold this post until the 1954 annual meeting, when there will be an election to name someone to serve out the balance of Mr. Parker's term, which expires in 1955.

N. Y. Assn. Membership Now 2,614, A New Record

NEW YORK—The New York City Life Underwriters Assn.'s membership goal of 2,600 has been passed, the year-end figure being 2,614, a new record, topping the previous peak, reached in 1948, by 19, according to Arthur L. Sullivan, general agent of Fidelity Mutual Life and general chairman of the membership committee.

Trees to Lincoln National

George L. Trees, manager for Great-West Life at San Francisco, has joined the Benedict agency of Lincoln National Life as associate general agent.

Paul Revere Advances Allen

Robert Allen has been named group sales and service supervisor of Paul Revere Life, succeeding Craig W. Stewart, who will assume general supervisory duties in the company's Genderson agency at Seattle Feb. 1. Mr. Allen entered insurance with Paul Revere in 1940. For the past year he has supervised the group policyholder service program.

• The *Harmelin Agency* of Columbian National in New York City led the entire agency force for the first 11 months of 1953.

Gold Takes Wraps Off A&H Plan in N. C.

(CONTINUED FROM PAGE 4)

are C. C. Bradley of Charlotte, representing Eastern Ins. Co.; R. J. Jones of Greensboro, Pilot Life; J. F. McAlevey of New York, Bureau of A&H Underwriters; R. J. Rydman of Chicago, H&A Underwriters Conference; Zita J. Stone of Chicago, Bankers Life & Casualty, and Martin B. Williams of Richmond, Life Insurers Conference.

On the public committee are Blue, former Commissioner Cheek, Rep. Arthur Goodman of Charlotte and Sen. Hamilton Hobgood of Louisburg. All were supporters of HB344.

Mass. Mutual Ups Two, Widens Group Setup

Massachusetts Mutual has appointed Bertram H. Shaughnessy group regional manager for the Pacific Coast with headquarters at Los Angeles and has set up a new group regional office at Boston for New England and New York state excluding metropolitan New York and Long Island, with Herbert S. Woods as manager. The com-

B. H. Shaughnessy

Herbert S. Woods

pany also extended the Chicago regional office's territory, under Bernhard F. Kalb, Jr., to include St. Louis and Kansas City.

Mr. Shaughnessy left Northwestern National to join Massachusetts Mutual a year and a half ago as district group manager at San Francisco. He has been in group insurance since 1935 except for navy service. Mr. Woods joined the company a year ago as district group manager at Boston after having been in the A & H business in Boston with Lumbermen's Mutual Casualty. He has had seven years experience in A & H and is a navy veteran.

Swiss Visits Lafayette Life

Dr. Bernhard R. Garbade, vice-president of Vita Life of Zurich, Switzerland, visited the home office of Lafayette Life. He is making a study of the way American life companies do business and has visited several companies in the east before coming to Lafayette.

He noted particularly that the American and European systems differ in the selling processes in that European companies write nearly 80% of their business in endowment policies, whereas the trend in the United States is on life insurance payable on death.

United L&A Cuts Substandard

All United L. & A. policies issued under the various substandard tables are being issued, effective Jan. 1, with lower extra premiums. These premiums will not be retroactive. Underwriting practices are not being changed with regard to the sub-standard tables in which a risk is rated, but the extra premiums charged for the various sub-standard tables will be reduced.

Ward in Group Post for Standard

John L. Ward has been appointed group representative of Standard of Oregon at the home office. This is a new position set up to serve the company's growing group business. Mr. Ward entered life insurance in 19[illegible] as an agent in the company's home office agency, later representing Standard in Stockton, Cal. In 19[illegible] he went to Chicago where he was with Continental Casualty in its group department, returning to Portland in 1953 to reenter Standard.

Lutheran Brotherhood Has Parley for General Agents

Guest speakers at the annual meeting at Minneapolis of Lutheran Brotherhood general agents were H. [illegible] Gravengaard, editor of the Diamond Life Bulletins, and Commissioner Sheehan of Minnesota.

Carl Granrud, Lutheran Brotherhood president, presided over the meeting which featured the presentation of a gold watch to N. K. Neprud, vice-president in charge of agencies, in honor of his 30th anniversary with the organization.

More Skill in Selling Needed in '54: Lane

The big job for A&H agents is to get out of the bracket of being average salesmen, Carl Lane, agency supervisor of General American Life, said in his talk before A&H Underwriters Assn. of St. Louis last week. Although his talk dealt primarily with business A&H coverages, Mr. Lane put emphasis on the selling aspects, saying that sales aids will never take the place of good salesmanship but merely supplement what the good agent already knows.

Present conditions demand adequate salesmanship, better salesmanship and effective supervision of the sales force, he said. While there are no signs in the window saying, "Skilled Salesmen Wanted Only," the results are the same, he declared, since only skilled salesmen will enjoy success in 1954 and the years ahead.

Callahan Detroit Speaker

Thomas Callahan, Time, Milwaukee, president of the International association, was the speaker at the Jan. 1[illegible] meeting of Detroit Assn. of A&H Underwriters. He discussed problems of the business.

To Offer Insurance Course

An insurance course is to be inaugurated at Western Michigan College of Education this fall. William Burdick, who for two years has been at the University of Wisconsin working towards his doctor's degree and specializing in insurance, will be instructor.

Attend Business Insurance Class

Twelve agents of Mutual Benefit Life, members of the Earls Cincinnati agency, the Brown agency in Louisville, and the Bingham agency in Springfield, Ill., attended a week-long business insurance school at Cincinnati.

Neb. Actuaries Meet First Time

Nebraska Actuaries Club held its first meeting in December. Arthur W. Larsen, vice-president and actuary of United Benefit Life, is president of the newly formed organization. Don [illegible] Parker, vice-president and actuary, Security Mutual Life, is secretary-treasurer.

Westra Talks in Milwaukee

Jack Westra, general agent at Madison, Wis., for North American L. & A., addressed the January meeting of A&H Underwriters of Milwaukee on 'You in '54".

• ***Frank H. Devitt,*** **Denver manager for Capitol Life is completing 40 years in the insurance business this month.**

Bafflement Is Reaction to Ike's "Reinsurance" Plan

(CONTINUED FROM PAGE 1)

moting either socialized medicine or federally subsidized insurance plans. What insurance people are concerned about is not an administration disregard of their interests but rather that in trying to make good on campaign promises the administration will come to the conclusion—however regretfully—that there is no choice but to adopt a course that will pretty much throw the hospitalization and medical care insurance business to the wolves.

If this should involve a federal subsidy and its inescapable fellow-traveler, federal supervision, the natural fear is that federal dominance would before long spread to all branches of insurance. This prospect seems to worry the Blue Cross, Blue Shield, and other non-profit plans far less than it does the regular insurance companies in the life, casualty, or strictly A & H business. This difference in viewpoint is not hard to understand, for the non-profit plans, unlike the great majority of stock and mutual insurers writing A & H, have no other lines of insurance which would bring endless complexities if brought within the orbit of federal control.

Fortunately for its relations with the Eisenhower administration and with Congress, the life and casualty companies got in some good licks at the hearings held last October by the Wolverton committee of Congress. Up to that time there had been a tendency to regard the non-profit plans as the only ones with well-developed social consciences and to lump "commercial" A & H insurers into a category that is typified by the most objectionable operators in this field. Testimony by commercial insurance representatives at the Wolverton hearings, however, made a fine impression.

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Nevertheless, while bringing out the high degree of social consciousness that prevails in the commercial A & H business, it could not draw any magic veil over the problem caused by the type of coverage and handling of claims typical of some A & H insurers.

Unluckily, some of the most aggressive radio advertising in the country is being done in the District of Columbia by limited-benefit insurers. Regardless of how well such insurers live up to the terms of their contracts and the claims in their advertising, the contrast between what they provide in protection and really comprehensive coverage is being dinged into the ears of people in the administration and in Congress who are interested in this problem.

The entire question of federal intervention in the field of hospital and medical care insurance points up what someone has called the schizophrenic character of the A & H business. Its diverse elements do not speak with a single voice. Better cooperation, even though various groups don't see eye to eye, may be essential to forestalling a well-intentioned but nevertheless highly objectionable federal plan.

SPECULATION ON PLANS

WASHINGTON—According to information obtained here, the reinsurance plan the administration has in mind would involve setting up a corporation with a government appropriation for original working capital. However, when it got under way, its operation would be supported by payment from member health insurance organizations based on a percentage of their gross premuim income.

The reported Eisenhower program would (1) make it possible for health insurance plans to offer catastrophic or comprehensive coverage by having the federal corporation pay most of each insured's claims in excess of $500, or $1,000; (2) make it possible—or even require—the plan to offer coverage to individual subscribers; (3) require participating plans to scale the costs of premiums in relation to family income. Families with $5,000 or $6,000 annual income would pay the highest rate.

Participating groups would pay about 2% of gross premiums collected to support the government corporation. Limits would be placed on payments to doctors and hospitals. Benefits would have to be clearly defined under any plan or policy participating in the general program. Members would have choice of doctors and hospitals. Commercial insurance companies would be included.

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Expressing gratification at President Eisenhower's announcement that he will submit a message to Congress Jan. 18 on a national health program, Rep. Wolverton of New Jersey, chairman of the House interstate commerce committee, predicted that Congress will give "immediate attention" to the matter. He announced introduction of four bills "designed to assist individuals in carrying the tremendously burdensome costs of medical attention, particularly where hospitalization is necessary or where the illness is of long-term character."

Mr. Wolverton stated he expects to introduce additional bills now in preparation in order to have before the House alternative proposals designed to give relief from burdensome medical costs.

Mr. Wolverton said the first bill is a reintroduction of a bill he introduced at the close of the 81st Congress. It is designed to expand health services through the medium of government reinsurance, by encouraging the growth and guaranteeing the strength and security of non-profit associations which render or secure medical and hospital services. The bill would also permit extended coverage to members of such associations and would allow protection against long, costly treatment.

His second bill is designed to assist non-profit associations offering perpaid health service programs to secure necessary facilities and equipment through long term interest-bearing loans.

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The third bill would provide for federal mortgage loan guarantees to banks and other lending institutions in the case of loans made to prepayment health plans for the construction of self-supporting hospitals and other medical facilities. The purpose of this bill is to stimulate investment of private capital in the construction of such hospitals and facilities and thus to facilitate the extension of voluntary prepayment health plans to provide comprehensive medical hospital care.

Wolverton's fourth bill would amend the internal revenue code and authorize a deduction up to $100 for income medical insurance plans, including tax purposes for payments made to both voluntary prepayment costs and commercial insurance plans. This deduction would be in addition to deduction for medical expenses now authorized under the fedeal income tax laws.

The Wolverton committee at its hearing this week heard Henry J. Kaiser, industrialist, support the principles of one of Rep. Wolverton's bills in providing government insurance under the FHA type or guarantee similar to that given on loans to veterans to finance construction of hospitals and other medical facilities supplying group health services.

Mr. Kaiser proposed that groups of doctors be enabled through insured-mortgage loans to form partnerships, engage in group practice and provide medical protection for medical, surgical and hospital needs. The plan would involve investment of $1 billion for building medical centers.

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The Kaiser plan, which has been developing 20 years, has four basic principles: prepayment, group practice, well-planned, integrated facilities and preventive medical care. It operates 35 hospitals in the three Pacific Coast states. One hundred and eleven days of hospitalization for each illness or injury are among the benefits. There are 400,000 members. Monthly dues range from $3.25 for single subscribers and $6.95 for subscriber and two or more family dependents. Care of the aged is included. Catastrophic illness would be detected in early stages under the plan.

At the Tuesday hearing, Dr. Paul B. Magnuson, who was chairman of President Truman's commission on health needs of the nation, advocated federal reinsurance of voluntary health plans. That proposal had been enforced by his commission.

Dr. Magnuson said such reinsurance would give a shot in the arm to commercial insurance companies and private plans to develop actuarial data, to experiment and to develop sound premiums and policies with respect to catastrophic coverage, which they are now dubious about offering because of the absence of reliable data.

However, he conceded that there are more problems in this type of insurance.

Dr. H. Clifford Loos of the Ross Loos Medical Group of Los Angeles described that plan in detail and suggested government subsidizing of the care of older people as a help to medical or health plans.

Chairman Wolverton asked for actuarial experience of the group plan with respect to oldsters. He expressed the hope that organized medicine will recognize the problem of providing medical care and hospitalization at reasonable costs and offer constructive proposals to meet it.

Dr. Loos said that applicants for coverage under his plan are urged first to check and study the many insurance and medical plans now available to them. He said his group maintains life and total disability insurance for members of his medical staff. Other employes are entitled to group insurance, for which the organization pays more than half.

Wolverton protested against opponents' criticism of various government health programs on the ground that they are socialized medicine. He said he could not see why proposals for government health should necessarily be classed as socialism. He said members of his committee observed the operation of government health programs in England and other European countries, also Australia and New Zealand. He found much evidence of the success of such plans and of cooperation of members of the medical profession with them.

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Dr. Magnuson in his testimony said that the growth of private health in-

surance in the past two decades is deeply gratifying but it must broaden its sights in the coming years. He said it concentrates far too much on covering minor illnesses and spends far too much time and money processing small claims for $5 and $10 medical bills. For years, he said, he has been an outspoken critic of the fine print in these insurance policies and said the policyholder who takes the trouble to read the fine print is dismayed to learn the policy excludes the big medical expenses which break the back of the average wage-earner.

Dr. Magnuson said that the voluntary health insurance system can insure major medical expenses, but it must be protected against financial disaster, and for that reason he has been advocating federal reinsurance for a long time.

He quoted from the report of the commission which he headed to the effect that federal reinsurance of private payments plans will enable them to extend their services and still be protected from financial catastrophe. Under the plan he proposed, each participating plan would pay into the federal insurance agency a certain proportion of the premium collected from its members. The government would then guarantee to meet any liability exceeding a certain maximum, in a manner similar to the reinsurance principle as applied to other forms of risk.

"There is nothing new about the reinsurance principle," he said in his testimony. The Federal Deposit Insurance Corp. does it on bank accounts, the veterans administration does it on building loans and so on. Probably everyone in this room has his home insured against catastrophic fire, but probably not one of you has insurance against the catastrophic illness which strikes much more frequently than a disastrous fire.

"Any insurance company, in order to qualify for such reinsurance, would have to meet governmental standards which would specify the completeness of medical coverage and outlaw the fine print which many chiselers put into present-day policies. I am unalterably opposed to the government insuring health insurance policies which aren't worth the paper they are printed on.

"The past five years have witnessed a few significant experiments by insurance companies in underwriting the expenses of catastrophic illness with particular emphasis on poliomyelitis. I think the next decade will witness a tremendous growth of this kind of insurance because of insistent public demand for wider coverage. Blue Cross, Blue Shield and many commercial companies see the vital need for catastrophic insurance but they are afraid to write a lot of it because they haven't enough actuarial data to fix premiums which will keep them in the black. A government guarantee will give them the needed shot in the arm to experiment and develop sound premiums and policies.

Dr. Magnuson laid down certain general principles which he said would guarantee the success of a catastrophic insurance plan.

"1. Catastrophic insurance should cover the entire family and it should cover all prolonged illness with the probable exception of mental illness and tuberculosis. It should underwrite all medical expenses—doctor's bills, hospitals, surgical operations, drugs and nursing care.

"2. It should have a ceiling payment. Testimony before the commission indicated a proper upper limit of $2,500 for any one illness.

"3. It should have a lower limit, below which the insured person will be excepted to defray expenses. Some medical economists have suggested the insurance company should be liable for medical expenses that go beyond one month of family income. For example, where a person earning $3,600 a year, medical expenses over $300 would be a 'catastrophe'; for the person earning $7,200, the deductible would be twice as high—$600. Whatever yardstick is chosen, the important point is this: The individual should handle minor medical expenses out of his family budget but not be charged anything when these medical expenses get beyond his reach. This is exactly the opposite of most present health insurance, which protects against minor expenses but withdraws the protection when the going gets really rough.

"4. Catastrophic insurance must spread itself over as wide a risk area as possible—the more policyholders, the lower the premium. It is difficult to estimate costs with so little data at hand, but our commission studies indicate that it need not cost more than $50 per family per year.

"5. How about the 50% of American families whose income is $3,000 a year or less? I agree with President Eisenhower that the federal government has a definite responsibility to aid in the extension of medical care to those who are unable to afford it. As we said in our commission report, 'one of the most important roles of the federal government in health is to act as a catalyst to stimulate new programs or to expand existing ones.' Through grants, the federal government should make it economically feasible for both non-profit and commercial insurance companies to insure low income groups with this important proviso: the individual must be left absolutely free to decide from whom he wants to purchase his insurance, so long as he chooses a reputable company with the minimum standards of coverage approved by the government."

Zalinski Heads New LUTC Steering Unit

Edmund L. G. Zalinski, vice-president of New York Life and vice-president of Life Underwriter Training Council, has been appointed chairman of LUTC's development committee, a new group formed to reevaluate the work of the council, and lay out a program of activities designed to increase its value to the business.

This committee was formed concurrently with a report released by the LUTC that it has enrolled a new all-time high of 9,877 students in 507 classes across the nation. The report, made by Managing Director Loran E. Powell, notes that in this, LUTC's seventh year of operation, local classes have been established in 47 states, the District of Columbia and Hawaii.

Other members of Mr. Zalinski's committee include LUTC President Chauncey D. Cowles, Jr., Northwestern Mutual; Laurence J. Ackerman, dean of insurance, University of Connecticut; Herbert R. Hill, Life of Virginia; Clifford H. Orr, National Life of Vermont; Edward L. Reiley, Mutual Benefit Life, and Benjamin N. Woodson, American General Life.

Arthur Houston Manager

Southland Life has appointed Percy E. Arthur manager at Houston, succeeding D. G. Liggett, who has taken an administrative post in the home office at Dallas. Mr. Arthur formerly was with Great Southern Life.

DEATHS

(CONTINUED FROM PAGE 13)

WALTER H. BROWN, 69, manager of Prudential's Cleveland ordinary agency for 40 years, died there of a heart attack. For many years this was the largest Prudential branch in the nation, growing from $500,000 annual business in new policies in 1913 to $6 million annually in 1938. Mr. Brown started in insurance with his father, John Brown, in Cincinnati, managing the Prudential office there before coming to Cleveland.

BENJAMIN CARR, brokerage manager for the Elvin-Wolff agency of Postal Life at New York, died after a short illness. He had entered the life insurance business 23 years ago as a Travelers agent. He was a brokerage supervisor for Manhattan Life when he joined the Wolff agency in 1952.

GEORGE CROCKER, 86, general agent at Omaha for Midwest Life, died after having several heart attacks in the past 10 years. He has been a general agent for 40 years and his entire career was with Midwest Life.

GEORGE ALLEN WOODS, 85, manager for 30 years in Zanesville, Wis., for Western & Southern Life, died in a hospital at Columbus, O.

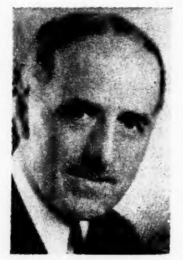
JOHN I. WICKS, 35, manager at Saranac lake, N. Y., for Prudential, was fatally injured in an automobile accident.

CLARENCE D. BERNAL, 60, manager of the East Point office of National Life & Accident at Atlanta, died unexpectedly. He had been with the company since 1928.

VIRGIL A. MARSHALL, general agent for Bankers Life of Nebraska at Fairbury, Neb., died suddenly at his home at the age of 52. Entering insurance as a part-time agent for Bankers in 1921, Mr. Marshall was appointed general agent at Fairbury in 1927. For many years his agency ranked among the company leaders and for 10 consecutive years, from 1938 to 1948, the agency out-produced all others.

Mr. Marshall's agency was the first recipient of the Bankers Life's President's trophy awarded initially in 1952 to the best all-around agency. He served on the company's general agents advisory committee from its inception in 1946.

SAMUEL T. CHASE, 86, former general agent in Chicago of Connecticut Mutual Life, died in Lake Forest, Ill., hospital, after becoming ill earlier in his home there.



S. T. Chase

Mr. Chase was an active general agent for the company for 32 years and general agent emeritus after that for over 18 years. His agency was the oldest life agency in Illinois, having been established by G. R. Phelps, who founded Connecticut Mutual in 1846. After Mr. Chase's retirement, he was succeeded by Charles J. Zimmerman, now managing director of LIAMA. Today the agency is headed by Henry C. Hunken. In his 32 years with Connecticut Mutual, Mr. Chase developed his agency to one of the largest in point of insurance in force and developed many successful agents and general agents. In recognition of his record in this direction Mr. Chase in 1929 was awarded the President's Organization Trophy. He was a frequent visitor to his former agency and had been there the day just before his death.

RICHARD K. FRANK, personnel director of Pacific Mutual Life, died of a sudden heart attack while accompanying his family to the Pasadena Tournament of Roses. Mr. Frank, with Pacific Mutual since 1920, has been personnel director since 1944.

JOHN LIESENFELD

"I had offers from 35 companies"

Nov. 10, 1953

Mr. Chas. E. Becker, President
The Franklin Life Insurance Company
Springfield, Illinois

Dear President Becker:

November 26, 1953 marked my seventeenth anniversary in the life insurance business. With the exception of the past month with the Franklin Life, all the time has been spent with one of the nation's major companies. Starting as an agent, I was successively promoted to Assistant Manager, General Assistant Manager, and Manager in one of Texas' largest cities.

Early this year I was offered another transfer—out of Texas. Having developed a love for Texas and its wonderful people I resigned my position.

At age 42, with a wife and four children, I wanted to be certain that I made no mistake in my next connection. As this was the biggest decision my family or I have ever had to make, I decided to take at least 90 days to expose myself to as many companies as possible, and then select. I thought that my main consideration should be along these lines. The company I selected should offer: (1) The best opportunity for financial success. In other words the company which recognizes the sales department as the most vital department, and coordinates all else to keep it such . . . an everyday reality. (2) Personal friendly leadership and association on a plane that stimulates human dignity and enthusiastic endeavor. A relationship whereby a man feels happy and proud to be a member of the family—not just another number. (3) A reputation of outstanding public service. (4) Products that people desire because they recognize a need for them, and want them. (5) Modern merchandise and merchandising methods superior to those generally found in the industry. (6) Progressive and promotional advertising for the public, the salesman and the company. (7) Stability and a long-standing record of sound investments, methods and operation. (8) Advantages of experience. The company should have been in business fifty years or more.

With this yardstick as a guide I had offers from at least thirty-five companies. While many were attractive, I know that my selection of the Franklin fulfilled every qualification to an outstanding degree. I just don't know how anyone can help being happy and successful with the company so justly called the *friendly* Franklin.

Cordially,

John Liesenfeld

The Friendly

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CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS

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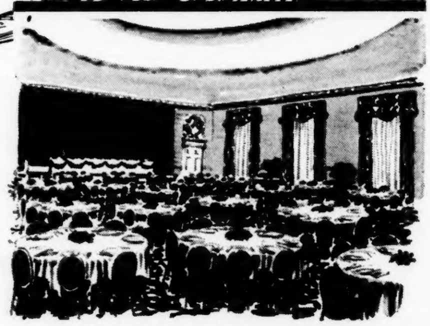
The New Auditorium Wing at The Greenbrier

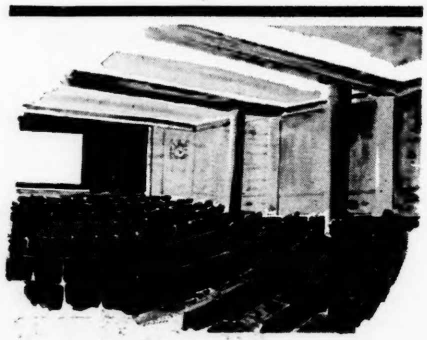
In mid-1954, The Greenbrier will offer enlarged and improved facilities for group meetings at famous White Sulphur Springs, West Virginia. The New Auditorium wing will offer groups up to 1,000 the most modern meeting facilities to be found anywhere.

The new addition will have an 8,600 sq.-ft. auditorium with a capacity of 1,075 for meetings and 860 for banquets. A theater with continental style seating and an inclined floor will accommodate 400. Both will have full stages with all facilities, plus the latest projection equipment and P. A. systems. Various sized smaller meeting rooms are also included. The entire wing will be air conditioned.



AUDITORIUM set for banquet

Dimensions — 72' wide by 112' long. No obstructions. Fully equipped stage 40' x 20', orchestra pit, dressing rooms. Motion picture and slide projection. P.A. system. 110-220v. A.C. power supply with ample outlets. Pantries and kitchens adjoining.



THEATRE

Dimensions 56' x 76'. Inclined floor, continental seating. Fully equipped stage, 40' x 16' (34' proscenium opening), orchestra pit, dressing rooms. Motion picture and slide projection. P.A. system. 110-220v. A.C. power supply.

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